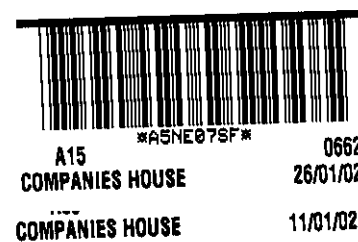


Elasis Leasing IV Limited

**Directors' report and
financial statements**

Year ended 31 March 2001

Registered number 3059249





Elasis Leasing IV Limited

Directors and other information

Directors	R.M. Dantzic (U.K.) H. Jenkins (U.K.) B. T. Hayden
Registered office	20, Blackfriars Lane London EC4V 6HD England
Secretaries	Mawlaw Secretaries debis AirFinance Company Secretary Limited
Auditors	KPMG, Chartered Accountants 5 George's Dock IFSC Dublin 1.
Principal bankers	Bankers Trust Company
Solicitors	McCann FitzGerald 2 Harbourmaster Place Custom House Dock Dublin 1

Definitions

"the Company"	: Elasis Leasing IV Limited
"Airplanes Group"	: Airplanes Limited and Airplanes US Trust and their respective subsidiary undertakings
"debis"	: debis AirFinance Ireland plc and its subsidiary undertakings
"GECAS"	: GE Capital Aviation Services Limited

Elasis Leasing IV Limited

Directors' report

The directors herewith submit their report together with the audited financial statements of the Company for the year ended March 31, 2001.

Principal activities, business review and future developments

The Company's primary activity is aircraft leasing .

Structure and financing

The Company is an aircraft leasing subsidiary of Airplanes Group, a special purpose vehicle, established to acquire certain aircraft and related assets from debis on March 28, 1996. Airplanes Group financed the acquisition of these assets from debis through the issue of five classes of notes. All of the four most senior classes of notes (the "A, B, C and D Notes") were sold in a \$4,048 million global underwritten public offering. debis subscribed for all of the fifth class of notes (the "E Notes"). In March 1998, Airplanes Group successfully completed a refinancing of \$2,437 million A and B Notes. On November 20, 1998 debis transferred its holding of the E Notes to GE Capital Corporation. In March 2001, Airplanes Group successfully completed a refinancing of \$750 million A Notes.

The Company is financed primarily by advances from Airplanes Limited, its ultimate holding company, and has guaranteed all obligations of the other companies within the Airplanes Group including their obligations in respect of the Notes in issue (Note 7).

Management

The Company's assets are managed by GECAS under a servicing agreement between Airplanes Group and GECAS. debis provides both administrative agency and cash management services to Airplanes Group.

Financial results

Details of the result of the year and the movement in reserves are set out in the profit and loss account.

The profit after tax for the financial year amounted to \$9,000.

Directors and secretary

In accordance with the Articles of Association, the directors are not required to retire by rotation.

Interest of directors and secretary

The directors and secretaries of the Company who held office at March 31, 2001 had no interests in the shares in the Company or group companies at March 31, 2001 and March 31, 2000.

No director has or has had any interest in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company or of Airplanes Group within the year.



Elasis Leasing IV Limited

Directors' report (*continued*)

Post balance sheet events

There were no significant events affecting the Company since the end of the financial year.

Auditors

In accordance with Section 384 of the Companies Act 1985, the auditors, KPMG Chartered Accountants will continue in office.

On behalf of the board

A handwritten signature in black ink, appearing to read 'R.M. Dantzic', written over a horizontal line.

R.M. Dantzic
Director

June 11, 2001

Elasis Leasing IV Limited

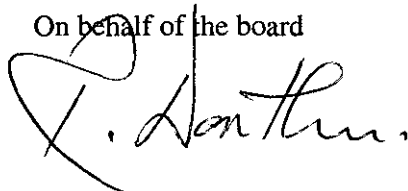
Statement of directors' responsibilities

The directors are responsible for preparing financial statements for each financial period which give a true and fair view of the state of affairs of the Company and of the profit or loss for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985 and all Regulations to be construed as one with that Act. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

On behalf of the board



R.M. Dantzie
Director



Chartered Accountants

5 George's Dock
IFSC
Dublin 1
Ireland

Auditors' report to the members of Elasis Leasing IV Limited

We have audited the financial statements on pages 6 to 11.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 4, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Acts. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the affairs of the company as at 31 March 2001 and of the profit of the company for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG

Chartered Accountants,
Registered Auditors,

June 11, 2001



Elasis Leasing IV Limited

Statement of accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

The accounting policies followed in the preparation of the accompanying financial statements are in conformity with generally accepted accounting principles and comply with financial reporting standards of the Accounting Standards Board in the United Kingdom.

The financial statements are prepared on the going concern basis, under the historical cost convention and are stated in US dollars which is the principal operating currency of the Company and of the aviation industry.

Revenue recognition

Revenue from aircraft on operating lease is recognised as income as it accrues over the period of the lease.

Taxation

Corporation tax is provided based on the results for the year.

Statement of cash flows

A statement of cash flows has not been prepared under Financial Reporting Standard No. 1 (revised) as the Company is a wholly owned subsidiary of Airplanes Holdings Limited, a company incorporated in Ireland, which is itself preparing consolidated financial statements which are publicly available.

Elasis Leasing IV Limited

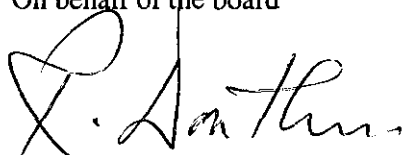
Profit and loss account
for the year ended March 31, 2001

	Note	Year ended March 31, 2001 \$000	Year ended March 31, 2000 \$000
Turnover - continuing operations	1	6,740	3,686
Cost of sales	2	(6,730)	(3,676)
		<hr/>	<hr/>
Gross profit		10	10
Administration and selling expenses	2	(1)	(6)
		<hr/>	<hr/>
Profit on ordinary activities before taxation			
- continuing operations		9	4
Tax on profit on ordinary activities	3	-	-
		<hr/>	<hr/>
Profit for the financial year		9	4
Profit and loss account at beginning of year		-	(4)
		<hr/>	<hr/>
Profit and loss account at end of year		9	-
		<hr/>	<hr/>

The Company had no recognised gains or losses in the financial year or the preceding financial year other than those dealt with in the profit and loss account.

The accompanying notes are an integral part of the financial statements.

On behalf of the board



R.M. Dantzic
Director

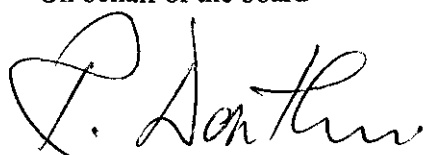
Elasis Leasing IV Limited

Balance sheet
at March 31, 2001

	Note	March 31, 2001 \$000	March 31, 2000 \$000
Current assets			
Debtors	4	399	703
		<hr/>	<hr/>
Total assets		399	703
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	6	-	-
Profit and loss account		9	-
		<hr/>	<hr/>
Shareholders' deficit - equity	8	9	-
Creditors	5		
Amounts falling due within one year		25	376
Amounts falling due after more than one year		365	327
		<hr/>	<hr/>
Total liabilities		399	703
		<hr/>	<hr/>

The accompanying notes are an integral part of the financial statements.

On behalf of the board



R.M. Dantzie
Director

Elasis Leasing IV Limited

Notes

forming part of the financial statements

1. Turnover

Turnover represents leasing income from aircraft and related assets leased in Europe.

2. Profit for the financial year

The profit for the financial year has been arrived at after (crediting)/charging the following items:

	2001 \$000	2000 \$000
<i>In turnover</i>		
Operating lease rental income	(6,740)	(3,686)
<i>In cost of sales</i>		
Lease in costs	6,730	3,676
<i>In administration and selling expenses</i>		
Auditors' remuneration (including expenses)	-	-
Directors' fees	1	2

In the years ended March 2001 and 2000 auditors remuneration was borne by Airplanes Holdings Limited.

3. Tax on loss on ordinary activities	2001 \$000	2000 \$000
U.K. Corporation tax at 33%	-	-
4. Debtors: (All due within one year)	2001 \$000	2000 \$000
Trade debtors	399	703

Elasis Leasing IV Limited

Notes (continued)

5. Creditors	2001	2000
	\$000	\$000
Amounts falling due within one year		
Accruals and deferred income	25	376
	<hr/>	<hr/>
Amounts falling due after more than one year		
Amounts due to Group companies		
- Airplanes Holdings	365	327
	<hr/>	<hr/>
6. Share capital	2001	2000
	GBP£	GBP£
Authorised		
100 Ordinary shares of GBP£1 each	100	100
	<hr/>	<hr/>
Allotted, called up and fully paid		
1 ordinary share of GBP£1 each	1	1
	<hr/>	<hr/>

7. Commitments and contingent liabilities

Guarantees

The Company has guaranteed all obligations of the other companies within Airplanes Group including their obligations in respect of the Notes in issue.

Foreign taxation

The international character of the Company's operations may expose the Company to taxation in certain countries. The position is kept under continuous review and provision is made for known liabilities where it is probable that such liabilities will crystallise.

8. Reconciliation of movements in shareholders' funds	2001	2000
	\$000	\$000
Total recognised profit for the financial year	9	4
Shareholders deficit at beginning of year	-	(4)
	<hr/>	<hr/>
Shareholders' funds at end of year	9	-
	<hr/>	<hr/>

Elasis Leasing IV Limited

Notes (*continued*)

9. **Related party transactions**

The Company has availed of the exemption under Financial Reporting Standard No. 8 not to disclose details of all transactions within the Airplanes Limited Group. Details of the availability of the group consolidated financial statements are given in Note 11.

10. **Staff costs and numbers**

The Company had no employees at March 31, 2001 and March 31, 2000.

11. **Group membership**

The Company is a wholly owned subsidiary of Airplanes Holdings Limited, a company incorporated and operating in the Republic of Ireland. Airplanes Holdings Limited is a 95% subsidiary of Airplanes Limited, a company incorporated in Jersey. The financial statements reflect the effect of these relationships.

The largest group in which the results of the Company are consolidated is that headed by Airplanes Limited and the consolidated financial statements may be obtained from Maurant du Feu et Jeune, 22 Grenville Street, St. Helier, Jersey.

The smallest group in which the results of the Company are consolidated is that headed by Airplanes Holdings Limited and those consolidated financial statements are filed in the Companies Office, Parnell Square, Dublin 1, Ireland.

12. **Approval of the financial statements**

The financial statements were approved by the board of directors on June 11, 2001.