

LITHUANIAN AIRLINE FLYLAL EYES BANKRUPTCY



Lithuanian airline FlyLAL announced on Monday that it may have to file for bankruptcy. The airline was hoping to sell itself to a Swiss Fund, however, after it was realized that they would not be able to, and after grounding flights, the airline started to see a bankruptcy in their future.

FlyLAL is a former state-owned carrier, which became private in 2005 after some local businessmen purchased it. They said just two weeks ago that Swiss Capital Holding was ready to buy it. However, the deal never went through.

“We wanted to continue our activity until the very last moment, but the buyer failed to execute the transfer by the deadline and we decided to cease operations,” said Gintare Rimkuvienė, a spokeswoman for the company.

“We have not filed for bankruptcy yet,” she said. “But that option is possible and it is being discussed.” Currently no flights are running on the FlyLAL airline. Flights were all grounded as of Friday, leaving around 11,000 passengers with valid, unused flight tickets.

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