

Notice from the Liquidator of the Swissair Group to creditors and the media

Dismissal of Grupo Espírito Santo lawsuit against SAirGroup, SAirLines and a banking consortium – Further media releases in response to newsworthy events

Küsnacht-Zurich, 26 September 2003. In its ruling of 8 September 2003, an international court of arbitration in Lisbon, convened in accordance with the rules of the International Chamber of Commerce, dismissed a lawsuit filed by the Grupo Espírito Santo against SAirGroup, SAirLines and a banking consortium. Had the court decided in favour of the complainant, SAirGroup would have been obliged to acquire the second-largest Portuguese airline, Portugália-Companhia Portuguesa de Transportes Aéreos, S.A., at a price of PTE 20,999,775,000 (approx. EUR 105'000'000.--). The suit was founded on an agreement on the purchase of Portugália that was concluded by the parties in July 1999. The transaction never went ahead because certain contractually agreed conditions, specifically approval from the EU authorities for the Swissair Group to take over Portugália, were never fulfilled. In its comprehensive decision, the court of arbitration ruled that the Swissair companies that were the subject of the suit were not in breach of contract and that, in particular, they cannot be held responsible for the absence of official authorization. The decision is final and absolute.

A number of the parties involved in the arbitration proceedings have lodged claims of approximately CHF 450 million each against SAirGroup and SAirLines in connection with the Portugália deal. Following the decision of the court of arbitration, these claims can be rejected and excluded from proceedings to determine creditor priority because they have no legal foundation.

Further media release in response to newsworthy events – Circulars twice a year

Some time ago, the debt restructuring judge approved the debt restructuring agreements for SAirGroup, SAirLines, Flightlease AG and Swissair Swiss Air Transport Company Ltd. This marked the start of a new phase in the liquidation of the companies which involves a great deal of work but is also less eventful. Consequently, the Liquidator, Karl Wüthrich of Wenger Plattner, will no longer be issuing weekly reports on his activities. It is planned that, in the future, notices to creditors and the media will be issued only when warranted by newsworthy events. In addition, the Liquidator will provide creditors with detailed information in a circular that is due to be published twice a year.

Further information

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