

Media release

Swissair Group provisional administrator writes to those retiring early

Küsnacht, Zurich, 25 October 2001. The provisional administrator of Swissair Group, Mr Karl Wüthrich, an attorney with the law firm Wenger Plattner, wrote as follows (full text) on 24 October 2001 to those who have taken early retirement:

To those who have taken early retirement under the Swissair Group welfare plan

Dear Sir/Madam

Effects of the provisional debt-restructuring moratorium on the welfare plan for early retirement

Since 5 and 8 October 2001, SAirGroup, SAirLines, Swissair Schweizerische Luftverkehrs AG, Flightlease AG, Swisscargo AG and Cargologic AG have been in a provisional debt-restructuring moratorium. I have gained the impression from talks with various former employees of these companies that, understandably, there is great uncertainty about the effects of the provisional debt-restructuring moratorium on the welfare plan as originally agreed. With this in mind, I am now writing to you to let you know my decision on subrogation, and to guide you as to its consequences.

1. The provisional administrator's decision on subrogation in existing welfare plan agreements

Your former employer is not allowed to treat individual creditors preferentially during the debt-restructuring moratorium or in any subsequent bankruptcy. This also applies to claims of former employees and those taking early retirement. Such claims are in competition with those of many small suppliers, customers and business partners, the survival of some of whom is at least equally threatened by the financial debacle at Swissair Group.

For the reasons stated in the enclosed Information Sheet 1 I, as the provisional administrator of your former employer, am unable to be subrogated in the existing welfare plan agreements to the detriment of the assets for restructuring.

2. Consequences for you of the decision against subrogation of the assets of your former employer now in debt restructuring

The decision not to subrogate does not end the agreement under the welfare plan. Nevertheless, the effects on you of this decision not to subrogate, and the associated immediate cessation of payments will, in some circumstances, be serious: I am aware of this. Unfortunately the legal framework allows no alternatives. As far as the scope of my function permits, I will still work to ensure that there is no unnecessary worsening of your personal situation.

Please also find enclosed Information Sheet 2 which may be useful to you in case of personal need, and also to improve the situation regarding your rights. The Information Sheet lists the institutions against which you can claim on certain conditions and describes how you may proceed with your former employer and your situation in insurance law is. If you have any questions, please refer them to your former employer, to the job mediation centres set up for the purpose or to your employee representative. There are also notes on this in Information Sheet 2.

I will also endeavour to convey all further information to you personally as soon as possible; it will also be available on my website www.sachwalter-swissair.ch.

Yours faithfully

The provisional administrator

Karl Wüthrich

Enclosures:

- Information Sheet on the legal situation
- Information Sheet on the insurance situation

For further information

- Website of the provisional administrator: www.sachwalter-swissair.ch
- Filippo T. Beck, Wenger Plattner, telephone 01 914 27 70, fax 01 914 27 88