

Announcement to creditors and the media by the Administrator of the Swissair Group

Transfer of the flight operation to Crossair AG completed on schedule – Sale of Cargologic AG and holding to the Volare Group – Sale of the economic interest in 17 aircraft – Investigation of responsibility: work started

Küsnacht-Zurich, April 5, 2002. The transfer of the flight operation from Swissair Schweizerische Luftverkehr AG to Crossair AG was completed on schedule on March 31, 2002 without friction. In spite of the complicated framework conditions, this positive result owes its achievement to the extraordinary efforts of all the parties involved. The Administrator would like to thank the employees of the Swissair Group for all their hard work and wishes Crossair AG a successful flight into the future.

Sale of Cargologic AG

As already reported in the media, with his decision of March 19, 2002, the debt-restructuring judge at the Zurich district court approved the sale of the entire share capital of Cargologic AG, Kloten, and the transfer of the rights to the "Cargologic" trademark and the domain names "cargologic.com", "cargologic.org", "cargologic.info" and "cargologic.biz" to Rhenus Alpina AG, Basel. Cargologic AG is in a state of debt-restructuring moratorium. In the purchase agreement, the purchaser undertakes to reconstruct the company. The reconstruction obligation includes all the claims registered when the claims were filed and not disputed by Cargologic AG. The parties agreed not to disclose the purchase price. The Administrator is pleased that it has been possible to find a good solution for the creditors and employees of Cargologic AG. In the event of a debt-restructuring moratorium or bankruptcy of Cargologic AG, the employees would have lost their jobs and the creditors would have had to relinquish at least part of their claims.

Sale of participation in the Volare Group

With his decision of March 20, 2002, the debt-restructuring judge at the Zurich district court approved the sale of the 48.62% capital share in Volare Group S.p.A. and 19,367,133 convertible bonds of Volare Group S.p.A. by SAirLines to Mr. Gino Zocchai for a total price of CHF 21,572,044. At the same time, the debt-restructuring judge authorised the SAirGroup to reduce its receivables from Air Europe from CHF 20,000,000 to CHF 14,214,708. Gino Zocchai is Chairman of the Board of Administration of the Volare Group. The agreement should allow a recapitalisation and therefore the rescue of the struggling Volare Group and its subsidiaries. Therefore, apart from the purchase price, the sale improves the prospects for the companies of the Swissair Group to pay their debts. The agreement is subject to the approval of the Italian anti-trust authorities.

Sale of the economic interest in 17 aircraft

With his decision of March 22, 2002, the debt-restructuring judge at the Zurich district court authorised Flightlease AG to sell the economic interest in 17 aircraft with a German leverage

lease structure to Crossair AG for a price of USD 390,000,000. The lease is transferred with effect from March 31, 2002. After all deductions, the gross selling price will give the Flightlease companies a net income in excess of USD 100,000,000. The agreement avoids the threatened termination of the lease by the lessor and the incurring of contractual compensation payments of some EUR 75,000,000.

Investigation of the responsibility of the SAirGroup executive bodies

Ernst & Young AG, Zurich, the consultants appointed by the Administrator, started their investigation work a few days ago, after the list of questions had been successfully clarified. The first interim report is expected at the end of June 2002, at the time of the creditors' meetings.

For further information

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