

Appendix 2 to the press release

Chronology of Events 1996 - 2001

December 6, 1992: Following the rejection of the EEC agreements by the Swiss voting populace, the bilateral air traffic agreement between Switzerland and the EU (part of the EEC) was blocked. As a result, Swissair's free access to the European market was denied.

1993: The project „Alcazar“, which had foreseen the merger of Swissair, Austrian Airlines, SAS and KLM, is discontinued.

December 14, 1994: The Board of Directors approves the purchase of the 49% investment in Sabena for a price of CHF 426 million (including the grant of a loan in the amount of BEF 4 billion i.e. CHF 159 million to a Belgian state holding).

Business years 1996/97

May 1997: Flightlease is founded. It serves the SAirGroup as a leasing company which purchases aircraft and leases them back to Group companies.

Fall 1997: McKinsey & Co. is engaged to develop a „multipartnership strategy“. The hunter strategy was a result of this project.

Business year 1998

January 19, 1998: Based on corporate management's recommendation, the Committee of SAirGroup's Board of Directors resolves to adopt the hunter strategy.

March 20, 1998: The „Qualifyer Group“ is formed, and the alliance agreement is signed.

July 1998: SAirLines purchases a 34% interest in the airline Volare for the price of ITL 5 billion.

September/October 1998: SAirLines purchases a 49% interest in Air Littoral for the price of FRF 132 million.

October 26, 1998: SAirLines purchases an indirect investment of 49.9% in Air Europe for CHF 150 million.

October 1998: SAirLines acquires 49.9% of the LTU Group for a purchase price of DEM 1,098 million.

Business year 1999

February 1999: SAirLines purchases a 49.5% interest in AOM Participations S.A. for a price of FRF 422 million.

June 1999: SAirLines Europe B.V. acquires a 20% interest in South African Airways (SAA) at a price of USD 230 million.

June 1999: Gate Gourmet General Partnership, Delaware, purchases the catering company Dobbs USA for a price of USD 681 million. Furthermore, Dobbs UK is acquired for USD 55 million, and an additional USD 45 million are paid for the trademark. The total purchase price of USD 781 million is initially financed to a large extent through SAirGroup Finance (NL) B.V.'s bond issue in the amount of EUR 400 million and, shortly thereafter, refinanced through a USD 300 million bond issue of SAirGroup Finance (USA) Inc.

September 16/17, 1999: The Board of Directors approves the recapitalization of Air Littoral with FRF 600 million.

November 1999: SAirLines Europe B.V. acquires a 37.6% investment in LOT Polish Airlines for USD 183 million.

December 16, 1999: The Board of Directors approves a credit line for LTU in the amount of DEM 300 million.

Business year 2000

April 25, 2000: The Board of Directors is informed that a Term Sheet for the purchase of an additional 37.75% interest in Sabena (bringing the total interest to 85%) had to be concluded with the Belgian government.

After July 2000: Significant activities of Swissair and Sabena are combined in an Airline Management Partnership (AMP).

August 2000: At the time of the financial press conference regarding the 2000 semi-annual report, the SAirGroup expects a profit of CHF 200 million for the year 2000.

August 17, 2000: The Board of Directors approves the restructuring of LTU, which results in a restructuring contribution of CHF 498 million at the expense of SAirGroup.

August 17, 2000: The "Shield" report prepared by McKinsey & Co. shows the financial situation of the Group and reveals a financing gap of CHF 3.25 to 4.45 billion.

September 21, 2000: The possibility of a merger with Alitalia (project "Vodka") is presented to the Board of Directors. The Board decides that the project should be pursued and that an investment of less than 50% was not subject to negotiation.

November 22, 2000: Based on the project „Chess“ from the consulting firm Roland Berger, the Board of Directors discusses exit scenarios regarding the airline investments.

December 14, 2000: The Board of Directors determines that the SAirGroup lacks the funds necessary to build the “fourth power in Europe” and that therefore, the strategy would have to be revised.

December 2000: AOM Participations S.A. carries out a capital increase in the amount of FRF 1,994 million for the purpose of acquiring an investment in Air Liberté and as a restructuring measure. This capital increase is financed proportionally by the shareholder SAirLines (49.5 %, or FRF 987 million). The share of the majority owner, Taitbout Antibes B.V., which amounts to FRF 1,007 million, is guaranteed by the SAirGroup.

Business year 2001

January 20, 2001: The Board of Directors resolves to maintain the dual strategy and to refrain from further investments, and, as well, to relieve the CEO of his duties. At the same time, the Board approves Sabena’s recapitalization (SAirGroup’s share EUR 150 million). Eric Honegger now assumes the duties of the Group’s CEO on an ad interim basis.

January 25, 2001: The SAirGroup and the Belgian government commit to recapitalizing Sabena with cash funds of EUR 150 million and EUR 100 million, respectively. SAirGroup signs an agreement with the Belgian government which increases the investment quota in Sabena to 85%.

March 15, 2001: Mario A. Corti now assumes the office of President and Chairman of the Board of Directors.

April 2, 2001: The SAirGroup announces a consolidated net loss of CHF 2,885 million for the year 2000.

April 12, 2001: The Board of Directors is informed that Credit Suisse, Deutsche Bank and Citibank have committed to a CHF 1 billion credit line.

April 25, 2001: During their general meeting, the shareholders are informed of the commitment of Credit Suisse, Deutsche Bank and Citibank to provide a credit line in the amount of CHF 1 billion.

April 25, 2001: The general meeting approves both the financial statements and the consolidated financial statements as of December 31, 2000, which report a consolidated net loss of CHF –2,885 billion. It approves the proposal of the Swiss federal and Zurich cantonal governments for a special investigation.

May 2001: The Group’s Chief Financial Officer is relieved of his duties.

June 27, 2001: The Board of Directors appoints a new Group Chief Financial Officer.

June 30, 2001: SAirGroup commits to participation in a restructuring plan for Air Littoral with a total contribution of FRF 850 million. At the same time, SAirLines sells its 49 % interest in Air Littoral for a price of FRF 1 to Marc Dufour.

July 31/August 1, 2001: SAirGroup agrees to exit its investments in the airlines AOM/Air Liberté. In connection with the restructuring plan approved by the Commercial Court of Créteil, France, the SAirGroup commits to a reorganization contribution of FRF 1,250 million and to the settlement of those tickets issued by AOM Minerve S.A. which had already been paid.

August 2, 2001: SAirGroup and the Belgian government commit to provide Sabena with cash funds in the amounts of EUR 258 million and EUR 172 million, respectively. Simultaneously, the agreement dated January 25, 2001 to increase SAirGroup's interest in Sabena to 85 % is cancelled.

August 30, 2001: The semi-annual financial statements as of June 30, 2001 show a shareholders' equity of CHF 555 million and an equity ratio of 2.55 %. The loss for the six months amounts to CHF 234 million. In order to strengthen the liquidity and the equity position, plans to sell Swissport and Nuance are announced.

September 17, 2001: The Head of the Federal Department of Finance is informed by SAirGroup that the Group may be insolvent by the beginning of October 2001. The SAirGroup believes that its liquidity can be assured only with the support of the federal government in the form of a CHF 1 billion guarantee.

September 22, 2001: The project „Swiss Air Lines“ (merger of Swissair and Crossair) is introduced to the Swiss President and the Head of the Federal Department of Finance.

September 29, 2001: The Board of Directors is informed that the holding company can no longer meet its financial obligations as from October 1, 2001.

September 30, 2001: The Board of Directors resolves to file for a debt-restructuring moratorium for the SAirGroup, SAirLines, Flightlease and Swissair in order to protect creditors.

September 29 and 30, 2001: The project referred to as „Phoenix“ is conceived and adopted. It calls for the transfer of shares held by the SAirGroup in Crossair to the major banks UBS and CSG. The bank consortium, comprised of the UBS and the CSG, agrees to acquire the Crossair shares immediately at the prevailing stock market price under the condition that the proceeds from the sale be used solely for the airline operations until October 3.

Evening of October 1, 2001: The public is informed of the plan to sell the Crossair shares to UBS and CSG, as well as of Crossair's take over of parts of the Swissair airline operations, and the planned filing for a debt-restructuring moratorium for SAirGroup, SAirLines and Flightlease.

October 2, 2001: The transfer of the Crossair shares is registered during the course of the late afternoon. The sales proceeds are credited to SAirLines' account after the grounding of the airline operations.

October 2, 2001: Because the legal limitations on maximum work hours for flight personnel can no longer be met, the flight operations are grounded at 3.35 pm and the Federal Executive Council is informed.

October 4, 2001: SAirGroup, SAirLines, Swissair and Flightlease file for a debt-restructuring moratorium.