

Swiss International Air Lines (Group), Basel
Consolidated income statement 1st - 3rd Quarter, unaudited

in CHF million	1 st - 3 rd Quarter 2004	1 st - 3 rd Quarter 2003
Revenue from scheduled services	2 191	2 571
Revenue from cargo services	323	380
Revenue from charter services	76	108
Revenue from other operations	34	39
Total revenue	2 624	3 098
Other operating income	71	76
Total income from operating activities	2 695	3 174
Cost of materials	-751	-994
Cost of services	-902	-1 124
Personnel expenses	-589	-791
Depreciation and amortisation	-222	-180
Profit/loss on disposal of fixed and intangible assets	0	-12
Other operating expenses (net)	-230	-481
Profit/(loss) from operating activities (EBIT) before restructuring costs	1	-408
Restructuring costs	0	-205
Profit/(loss) from operating activities (EBIT) after restructuring costs	1	-613
Income from associates	1	1
Financial expenses	-40	-36
Financial income	22	43
Loss before tax (EBT)	-16	-605
Income taxes	-1	-3
Loss after tax	-17	-608
Minority interest	0	-1
Net loss for the period	-17	-609
in CHF		
Earnings per share (basic)	-0.32	-11.58
Earnings per share (fully diluted)	-0.32	-11.58
Earnings for the first nine months of 2004 are comparable to their prior-year equivalents only to a limited degree, because SWISS conducted a radical corporate restructuring in the second half of 2003 which included a substantial downsizing of its route network. Similarly, in view of the reduced business volumes and the sizeable cost reductions achieved in flight operations and administrative activities, the individual cost items for the first nine months of 2004 cannot be meaningfully compared to those of the prior-year period.		
Provisions amounting to CHF 68 million which were no longer required following the settlement of a protracted legal dispute were released in the second quarter of 2004 and resulted in a corresponding reduction in "Other operating expenses". This amount was shown as cash flow in the third-quarter period, in accordance with its value date.		

Swiss International Air Lines (Group), Basel
Consolidated income statement 3rd quarter, unaudited

in CHF million	3 rd quarter 2004	3 rd quarter 2003
Revenue from scheduled services	751	856
Revenue from cargo services	106	120
Revenue from charter services	37	51
Revenue from other operations	12	17
Total revenue	906	1 044
Other operating income	21	32
Total income from operating activities	927	1 076
Cost of materials	-255	-326
Cost of services	-296	-357
Personnel expenses	-191	-246
Depreciation and amortisation	-74	-64
Other operating expenses (net)	-91	-145
Profit/(loss) from operating activities (EBIT) before restructuring costs	20	-62
Restructuring costs	0	-205
Profit/(loss) from operating activities (EBIT) after restructuring costs	20	-267
Income from associates	0	0
Financial expenses	-13	-11
Financial income	9	4
Profit/(loss) before tax (EBT)	16	-274
Income taxes	0	-1
Profit/(loss) after tax	16	-275
Minority interest	0	-1
Net profit/(loss) for the period	16	-276
in CHF		
Earnings per share (basic)	0.30	-5.25
Earnings per share (fully diluted)	0.29	-5.25

The earnings results for the third quarter of 2004 are only comparable to their prior-year equivalents to a limited degree, because SWISS conducted a radical corporate restructuring in the second half of 2003 which included a substantial downsizing of its route network. Similarly, in view of the reduced business volumes and the sizeable cost reductions achieved in flight operations and administrative activities, the individual cost items for the third quarter of 2004 cannot be meaningfully compared to those of the prior-year period.

Swiss International Air Lines (Group), Basel
Consolidated balance sheet, unaudited

in CHF million	September 30, 2004	December 31, 2003
Cash and cash equivalents	361	503
Fixed-term deposits (3-12 months)	5	0
Derivative assets	8	52
Trade receivables	332	362
Other receivables	44	163
Inventories	28	33
Prepaid expenses and accrued income	23	34
Current assets	801	1 147
Aircraft fleet	2 201	2 247
Property, plant and equipment	220	246
Intangible assets	19	19
Investments in associates	5	6
Loans and other investments	167	208
Deferred tax assets	1	1
Non-current assets	2 613	2 727
Total assets	3 414	3 874
Trade payables	256	277
Interest-bearing liabilities	225	286
Derivative liabilities	1	20
Other payables	50	54
Unearned transportation revenue	441	519
Accrued expenses and prepaid income	318	345
Current liabilities	1 291	1 501
Interest-bearing liabilities	880	920
Employee benefit obligations	20	19
Provisions	228	406
Non-current liabilities	1 128	1 345
Total liabilities	2 419	2 846
Minority interest	4	6
Share capital	948	1 685
Treasury shares	0	0
Reserves	43	-663
Total shareholders' equity	991	1 022
Total shareholders' equity and liabilities	3 414	3 874

Swiss International Air Lines (Group), Basel
Consolidated cash flow statement 1st - 3rd Quarter, unaudited and condensed

in CHF million	1 st - 3 rd Quarter 2004	1 st - 3 rd Quarter 2003
Net loss for the period	-17	-609
Adjustments for income and expenses not involving the movement of funds	252	189
Changes in net working capital (other than cash and cash equivalents)	-115	121
Cash flow from operating activities	120	-299
Cash flow from investing activities	-37	-225
Cash flow from financing activities	-227	30
Increase/(decrease) in cash and cash equivalents	-144	-494
Effect of exchange-rate differences	2	-20
Cash and cash equivalents as of January 1	503	1 128
Cash and cash equivalents as of September 30	361	614

Cash and cash equivalents comprise cash on hand, postal and bank accounts and short-term deposits with an original maturity of not more than 90 days.