

SAS Group 1st Interim Report 2009

Teleconference April 28 2009



SAS
SECURING LONG-TERM VALUE CREATION

Very difficult market conditions as expected

- Financial crisis
- Global recession

Rapidly falling demand in most industries

- Increasing over capacity



SAS rights issue oversubscribed

- Rights issue finalized in a very difficult environment
 - Total proceeds SEK 6 billion
 - Oversubscribed by 24,2 %
- Evidence that the market and owners support Core SAS strategy



Looking ahead

Market

- **Very unpredictable market**
- **Uncertain timing of recovery**
- **Heavy losses predicted by IATA for airline industry**

SAS

- **Full focus on Core SAS implementation**
- **High preparedness for weaker demand**



Mats Lönnqvist
CFO SAS Group



Reshaped, focused and viable SAS

<i>(SEK billion, FY 2008)</i>	Revenue	EBT	Adj. ND ¹	FTEs ²	Fleet ⁴
SAS Group (before restructuring costs and non-recurring items)	53	-0.4	22.5	20,400	237
Spanair (incl. restructuring costs)	10	-2.2	6.0 ³	3,000	61
Total	63	-2.6	28.5	23,400	298
1. Focus on Nordic home market	-12 ⁵	+2.5 ⁶	-7.0 ⁸	-5,200	-61
2. Focus on business travellers and strengthened commercial offering	-3	+0.8 ⁷	-2.0	-1,500	-20
3. Improved cost base		+3.6		-1,700	
4. Streamlined organization and customer oriented culture		+0.4		-400	
5. Strengthened capital structure			-6.0		
Total Core SAS effects (excl. Core SAS restructuring costs)	-15	+7.3	-15.0	-8,800	-81

Δ%

~ -25%

n.m.

~ -50%

~ -40%

~ -30%

Note: Core SAS effect based on 2008 figures. All figures are approximate

1) Adjusted net debt (financial net debt + 7 x net operating leasing costs)

2) Average full time employees during Q4 2008

3) Including only lease-related net debt of Spanair

4) As of end of 2008. Including grounded Q400s in process of being phased out

5) Spanair and external revenues from Spirit, Cubic, Trust and SGS International

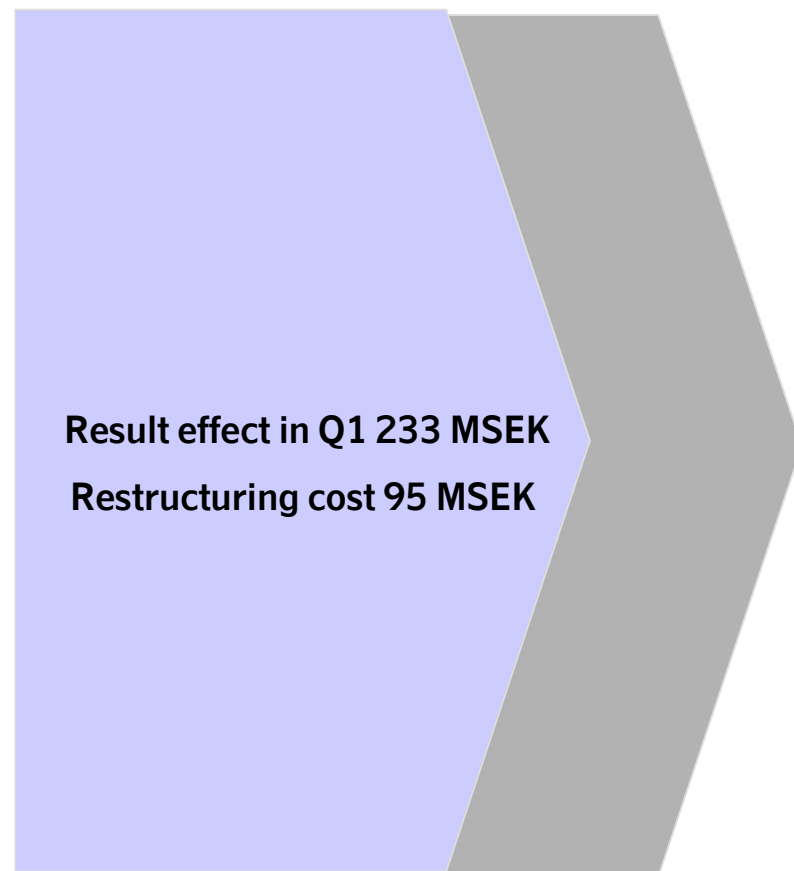
6) Based on preliminary evaluation of 2008 EBIT for subsidiaries that will be or have been divested, excl. any potential P&L effect (gains/losses) from the divestment

7) Based on preliminary evaluation of total loss in 2008 of routes taken away, adjusted for market effects and effect from improved union agreements

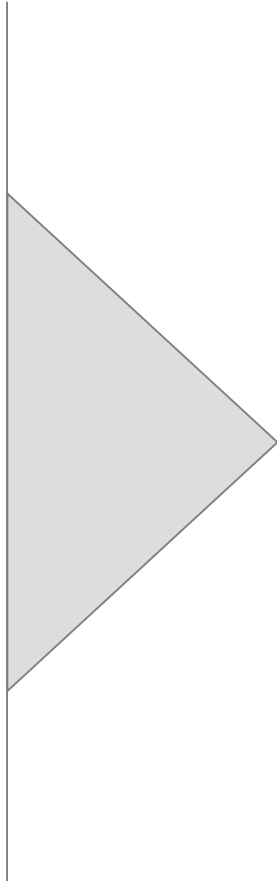
8) Of which SEK 6 billion relates to Spanair (see note 3 above) and SEK 1 billion relates to other divestments of non-core assets

Implementation on Core SAS on track in all areas

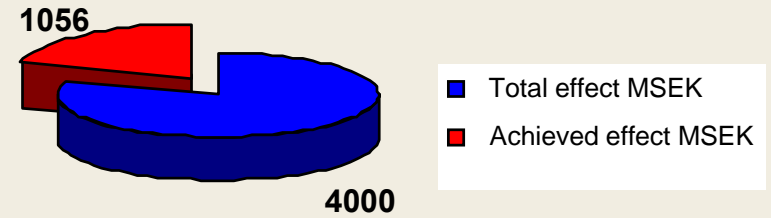
Core SAS cost program	MSEK Potential	MSEK Q1
Production flying	~1000	~250
Production ground	~300	~150
Production remaining	~ 600	~ 250
SAS Tech	~ 500	~ 200
Sales, Marketing & Commercial	~ 400	~ 50
Purchasing	~ 600	~ 100
Cargo	~ 100	-
Other	~ 500	~ 50
Total	~ 4,000	~ 1,050



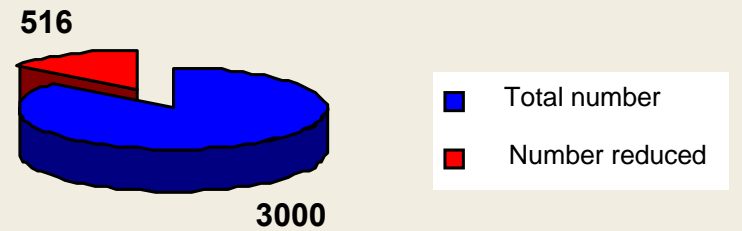
Implementation on Core SAS on track



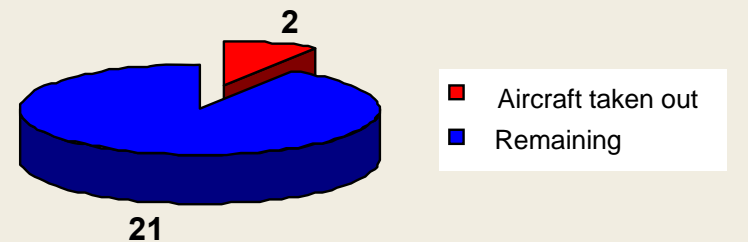
Implementation status of Core SAS in first quarter



FTE reduction in Core SAS



Capacity reduction



Sum up 1st quarter 2009

Business environment

- Global recession
- Overcapacity and yield pressure
- Fierce conditions as expected
- Very unpredictable market going forward

First quarter

- Weak Q1 as expected



Core SAS

- Cost measures of 4 billion SEK
 - Core SAS on track (25 % implemented)
- Rights issue oversubscribed
- High quality in operations
 - High punctuality
 - Improved customer satisfaction