



Presentation of 1st Interim Report 2006

Stockholm and London, May 4-5



Result affected by pilot conflict and underlying yield pressure



- ▶ EBT bef nonrecurring items MSEK -1 319 in line with 2005
 - Positive “Easter Effect” MSEK 100
 - Cost for conflicts of MSEK 250
 - Still underlying price pressure
 - Lower volumes and price pressure in SGS and STS
- ▶ Strong growth and record load factors
- ▶ Jet fuel price effect MSEK 550 higher than last year

- ▶ EBT result in Scandinavian Airlines Businesses improved by MSEK 250
- ▶ New cost measures on track and extended from SEK 2,0 to SEK 2,5 billion

SAS Group

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EBT result in line with last year



MSEK	2006	January-March Change
▶ Revenues	14 467	+1 451
▶ EBITDAR	219	-3
<hr/>		
▶ Lease & depreciation	-1 414	-102
▶ EBIT	-1 161	-113
<hr/>		
▶ Financial net	-226	+16
▶ EBT	-1 387	-97
<hr/>		
▶ EBT bef non-recurring items	-1 319	-7

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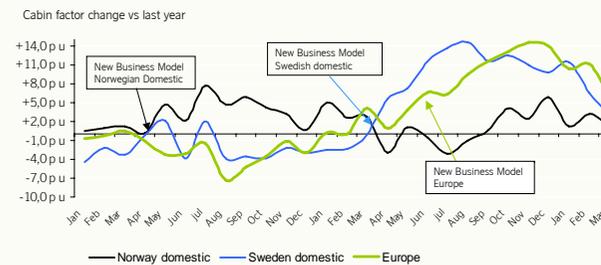
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Record load factors after introduction of New Business Models



- ▶ New Business Models very well received in market
- ▶ SAS Group number of passengers up by 12,2% to a record 8,5 million
- ▶ Strong growth on European routes – traffic up 18,4%

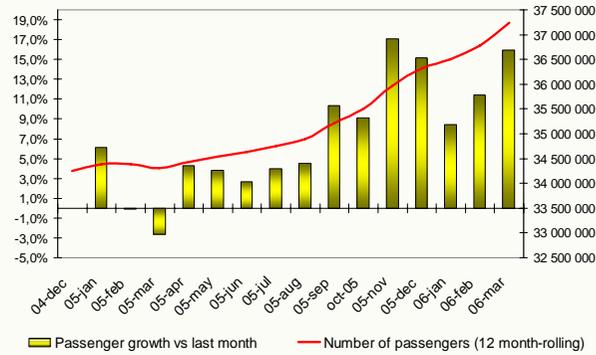


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Group number of passengers grew by 12,2% in 1st Quarter and has passed 37 million



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More than 4 million low fare tickets



- ▶ The largest low fare provider in the Nordic skies
- ▶ New Business Models has increased the number of low fare tickets
- ▶ Simplified rules – one way prices
- ▶ Prices entirely demand driven
- ▶ Positive impact from one way experienced
 - on Norwegian, Swedish domestic and Europe/ Intrasandinavian routes
- ▶ Reduced yield offset by increased load factor



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...but we will also do much more for the frequent travellers



Added services
 • Attractive products/ services which can be added to base product



More commercial initiatives to be introduced during 2006:

- Next step in price model
- Improved benefits to loyal customers
- Product differentiation
- Improved internet sales engine
- Easier to find low fares

Base product
 • Attractive basic offer
 • Few restrictions
 • Price follows demand

Scandinavian Airlines Businesses

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Gunilla Berg
 CFO



Strongest improvement in Scandinavian Airlines Businesses

MSEK	Jan-Mar 2006	Change
▶ Scandinavian Airlines Businesses	-813	+175
▶ Subsidiary & Affiliated Airlines	-281	-136
▶ Airline Support Businesses	39	-97
▶ Hotels	-65	+81
▶ Group eliminations, other	-199	-30
▶ EBT bef nonrecurring items	-1 319	-7

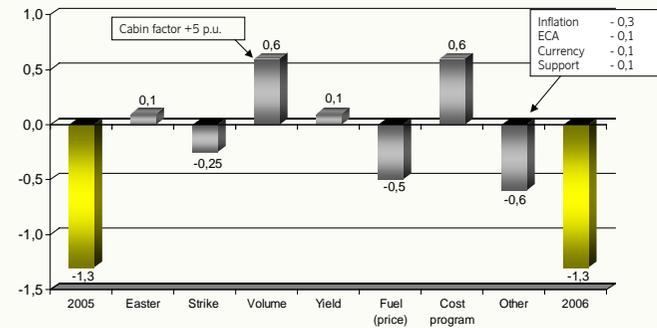
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SAS Group underlying result improved MSEK 200-300



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Positive free cash flow after investments and improved net debt

SEK, billion	January-March 2006
▶ Cash flow from operations	-1,0
▶ Change in working capital	1,0
▶ Net financing from operations	-0,0
▶ Investments, adv. payments	-0,4
▶ Acquisitions/sale of subsidiaries (net)	0,0
▶ Sale of fixed assets etc.	0,6
▶ Financing deficit/surplus	0,2
▶ Change in external financing	-0,0
▶ Cash flow from the period	0,2
▶ Financial net debt	14,1
▶ Available funds	14,4

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Fuel cost at record level Full year fuel cost up SEK 2,5 - 3 billion



▶ SAS Group strategy to offset jet fuel price

- Policy to hedge 40-60% of expected consumption (12 months)
- Yield management
- Cost initiatives
 - Price increase due to very high prices on continuous basis

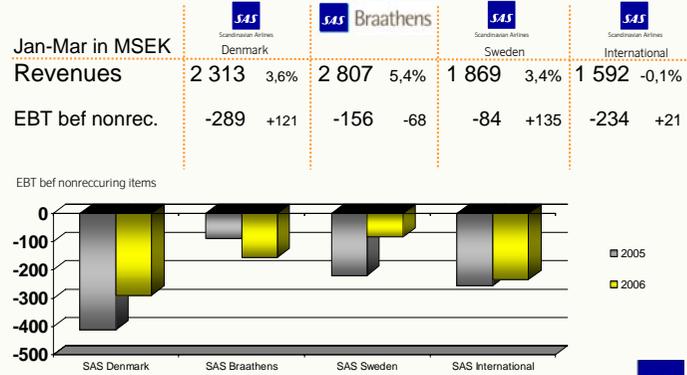
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Result improved for most Scandinavian Airlines



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Unit cost weighted for increased volume down in Q1



Unit cost method	Unit cost vs last year	Unit cost adjusted for fuel
▶ ASK	7,1%	3,0%
▶ 50% ASK & RPK	3,3%	0,0%
▶ 50% ASK & passengers	0,9%	-1,9%

- ▶ Unit cost based on only ASK is penalized by sharply improved cabin factor and utilization of capacity
- ▶ Unit cost weighted with increased traffic/passengers shows continued improved cost per passengers/traffic

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STS and SGS affected by lower volumes



Jan-Mar in MSEK	SAS Technical Services		SAS Ground Services		SAS Cargo		SAS Flight Academy	
Revenues	1 230	-6,9%	1 529	-2,9%	852	19,3%	126	-1,6%
EBT, bef nonrec.	8	-56	10	-41	-5	-10	28	+8

Airline Support Businesses

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SEK 2,5 billion of new measures under implementation in 2006-2007



600	900	1 000
<ul style="list-style-type: none"> ▶ Productivity (partly dependent on changes in collective agreements) <ul style="list-style-type: none"> - Block hours - F/D 700 h - C/A 750 h 	<ul style="list-style-type: none"> ▶ Ground and technical services <ul style="list-style-type: none"> - Productivity (part time) - Leaner mgmt - Line and Heavy Maintenance - Simplified product - Reduced component costs 	<ul style="list-style-type: none"> ▶ Administration/sales & other flight related costs <ul style="list-style-type: none"> - IT - Call centers - Overhead - Sales organization



- ▶ Structural cost measures of SEK 2,5 billion under implementation
 - Measures increased by SEK 0,5 billion
 - SEK 0,4 billion dependent on new collective agreements
- ▶ 44% implemented

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Capacity guidance reduced due to increased focus on dynamic traffic planning



SAS Group		2006	
▶ Fuel costs (SEK, billion)		~11	
▶ ASK		up 2%	(previous guiding 3-4%)
Scandinavian Airlines Businesses			
2006		Capacity 2006 vs 2005	
▶ Yield	down	Scandinavian Airlines Danmark	-7%
▶ ASK	-2% to -3%	SAS Braathens	+6%
▶ Load factor	up	Scandinavian Airlines Sverige	-9%
		Scandinavian Airlines International	-6%
Subsidiary & Affiliated Airlines			
Capacity 2006 vs 2005			
▶ Spanair		10%	
▶ Blue1		60%	
▶ Widerøe		5-7%	
▶ airBaltic		25%	

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Jørgen Lindegaard CEO



Spanair weaker due to “Easter Effect” and challenges in Widerøe



	Jan-Mar			Jan-Mar	
	2006	2005		2006	2005
Spanair			widerøe		
Total revenues	2 063	1 574	Total revenues	721	639
EBITDAR	143	119	EBITDAR	68	80
EBT, bef nonrecurring items	-235	-158	EBT, bef nonrecurring items	-2	14

- ▶ Robust traffic development in first Quarter
 - ▶ Number of passengers up 35,6%
 - ▶ Cabin factor up 5,9 p.u. to 60,1%
- ▶ Jet fuel up 70% vs last year corresponding to MSEK 212 also due to expansion
- ▶ 1st Quarter negatively affected by Easter effect of MSEK 50

- ▶ Traffic up 4,7% and cabin factor improved by 2,5 p.u. to 56,0%
- ▶ Yield was down 0,3% in Q1 due to more low fare tickets in the market
- ▶ Unit cost up 6,9% due to jet fuel and costs for technical maintenance

Subsidiary & Affiliated Airlines

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Blue1 and airBaltic expanding in their home markets



	Jan-Mar			Jan-Mar	
	2006	2005		2006	2005
Blue1			airBaltic		
Total revenues	428	379	Total revenues	287	192
EBITDAR	11	34	EBITDAR	12	-7
EBT, bef nonrecurring items	-26	-4	EBT, bef nonrecurring items	-18	-33

- ▶ Strong traffic figures in Q1
 - ▶ Passengers up 19,5%
 - ▶ Traffic up 23,8%
 - ▶ Cabin factor up 5,5 p.u. to 59,5%
- ▶ Start up cost with European expansion
- ▶ 9 new destinations introduced from Helsinki
- ▶ Booking figures on tourist destinations are promising

- ▶ EBT improved MSEK 15 due to improved utilization
- ▶ Strong traffic development
 - ▶ Number of passengers up 55,9%
 - ▶ Cabin factor improved 8,8 p.u. to 59,0%
- ▶ Unit cost up 7,7% negatively affected by fuel and personnel
- ▶ airBaltic competing successfully with Ryanair and Easyjet

Subsidiary & Affiliated Airlines

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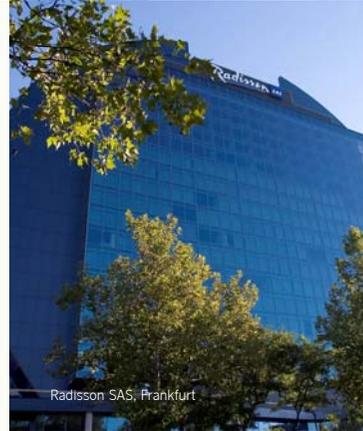


Strong hotel market gives improved result of MSEK 81



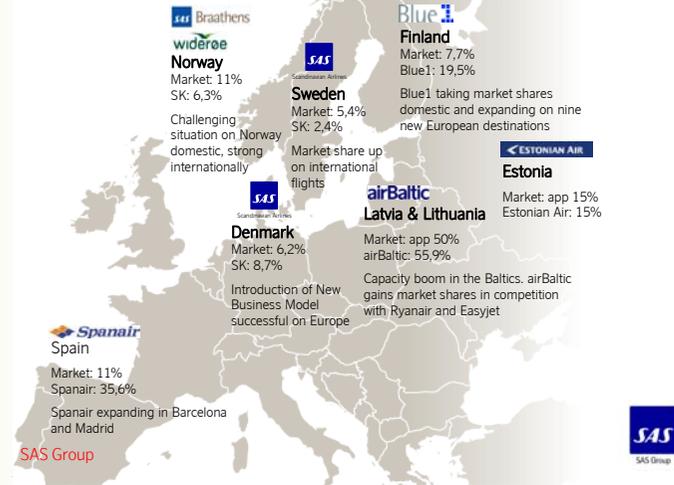
	Jan-Mar	
	2006	2005
Total revenues	1 466	1 096
EBITDA	-3	-78
EBT	-65	-146

- ▶ Strong hotel market
- ▶ Result positively affected by Easter in April
- ▶ Number of rooms sold increased
 - ▶ RevPAR up 20,6% for comparable units
 - ▶ Occupancy rate improved 4,4 p.u.
- ▶ 7 new hotels opened in Q1. Total number of hotels now 224



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Market growth and growth for SAS Group airlines



Three pillars of the SAS Group competitiveness



- ▶ Cost
 - ☑ Turnaround 2005
 - New cost adaptation measures
 - Cost at market levels
- ☑ Incorporation of Businesses units
 - Transparency
 - Local adaptation
 - Flexibility
 - Time to market
- ▶ New Business Models
 - ☑ One way pricing
 - ☑ Demand driven
 - Internet in process
 - Value for money in process

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Tough start of 2006, but passenger growth trend intact



- ▶ Tough start of 2006
 - Pilot action result effect appr MSEK 250
 - Cabin conflict in Norway
- ▶ New Business Models
 - Solid traffic development
 - Record load factors and number of passengers
 - More commercial initiatives in pipeline
- ▶ Jet fuel costs more challenging and to be handled through
 - Yield management
 - Cost reductions
 - Hedging
- ▶ Cost measures increased to SEK 2,5 billion

Outlook

- ▶ Stable market growth 3-5%
- ▶ New Business Model with improved load
- ▶ Load up 7 p.u. in Scandinavian Airlines after Easter

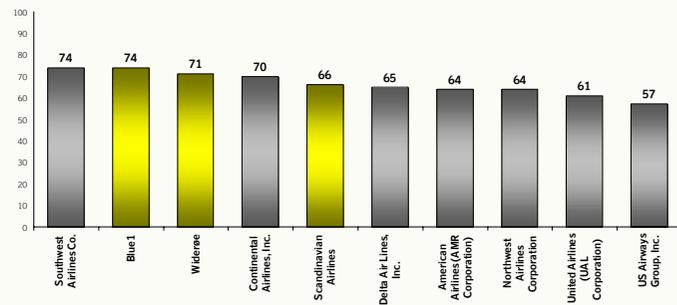
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Additional slides for further information



Customer satisfaction satisfactory but will be targeted for Scandinavian Airlines



Source: TOTQ 2005, CFI Group

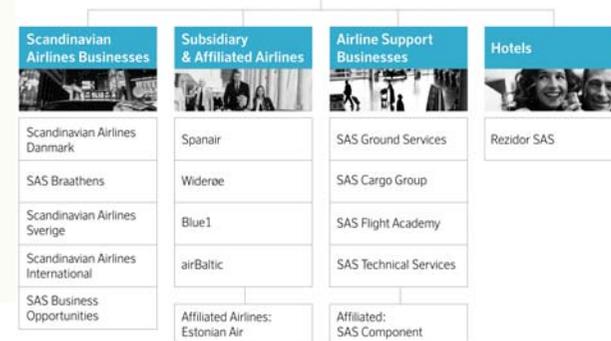


Four Business Areas as from 2006

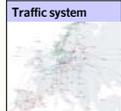
► From business units to limited companies



► Closer to local markets
► Improved accountability



Business models for SAS Group airlines -three common denominators



Change

- Price structures based on demand-driven one-way prices for simple *online distribution*
- *Differentiated base product*
- *Add-on products* that stimulate buy-up and ancillary revenues
- "Value-for-money"

- Traffic systems dimensioned for local passengers and for profitable transfer traffic
- *Dynamic flexible traffic planning*

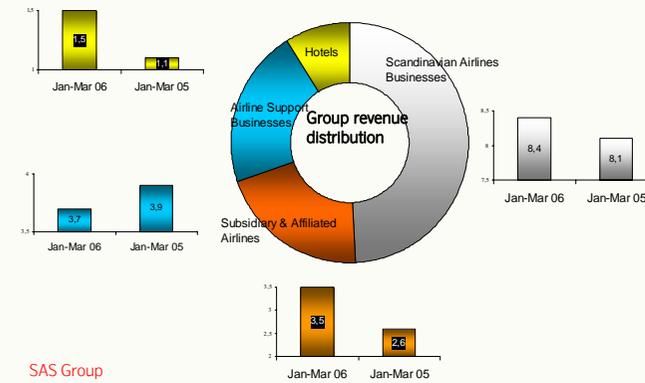
- Cost level for basic product in line with most efficient players
- Additional costs for transfer, distribution, in-flight, on-ground, network etc. to be covered by a price premium

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Revenues growing in major business areas

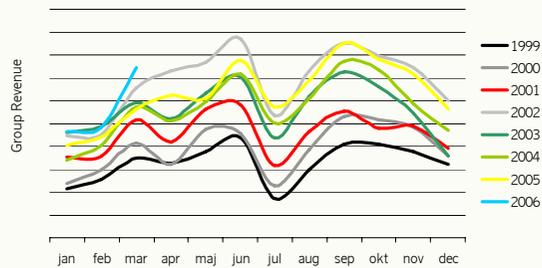


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Revenue seasonality pattern



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EBITDAR and CFROI improved

MSEK	2006	2005	
▶ Revenue	14 467	13 016	11,1%
▶ EBITDAR	219	222	-1,4%
▶ EBITDAR-margin	1,5%	1,7%	-0,2 p.p.
▶ CFROI	13%	10%	+3 p.p.

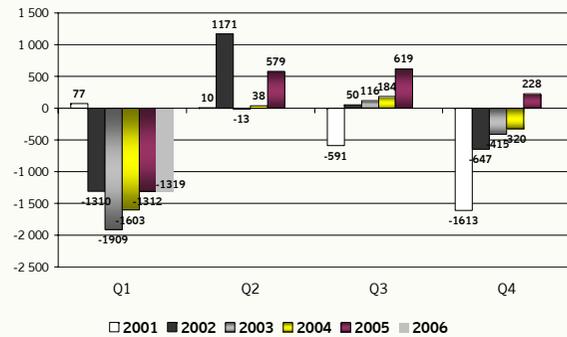
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1st Quarter seasonally weak

MSEK, EBT before gains and nonrecurring items

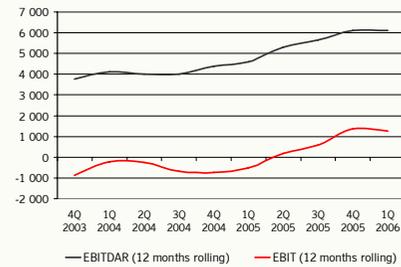


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EBITDAR improved by MSEK 1 649



EBITDAR in Q1 was MSEK 219 (222)

EBITDAR distribution

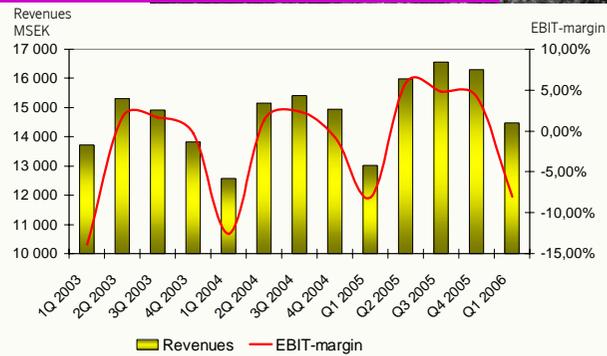
- Scandin Airl. MSEK 106 (-33)
- Spanair MSEK 143 (119)
- Widerøe MSEK 68 (80)
- Blue1 MSEK 11 (34)
- airBaltic MSEK 12 (-7)

Subsidiary & Affiliated Airlines

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EBIT-margin and revenues



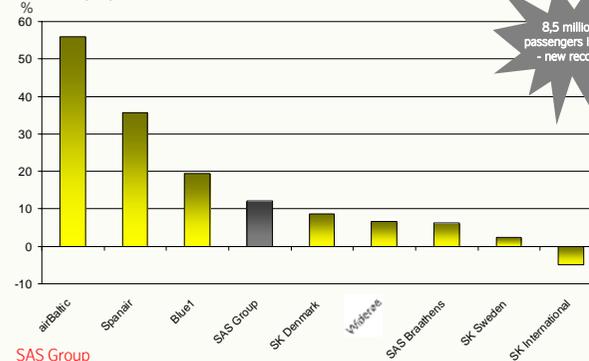
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Very strong growth in many Group airlines

Passenger growth in Q1 2006 vs Q1 2005



8.5 million passengers in Q1 - new record

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Passengers growing most airlines



Average market prices:

▶ 2000	297 USD/MT
▶ 2001	245 USD/MT
▶ 2002	233 USD/MT
▶ 2003	282 USD/MT
▶ 2004	399 USD/MT
▶ 2005	568 USD/MT
▶ Q1 2005	487 USD/MT
▶ Q2 2005	556 USD/MT
▶ Q3 2005	634 USD/MT
▶ Q4 2005	592 USD/MT
▶ Q1 2006	615 USD/MT

Hedge levels (including premiums):

- 41% hedged for 2006 by May
- 2006: 675 USD/MT



Business areas



Scandinavian Airlines Businesses



Scandinavian Airlines' statement of income



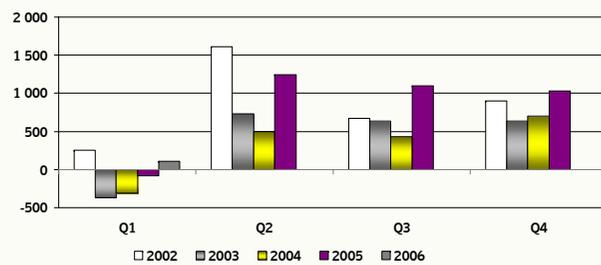
MSEK	January-March		Change
	2006	2005	
▶ Revenues	8 379	8 073	+306
▶ Operating expenses	-8 273	-8 106	-167
▶ EBITDAR	106	-33	+139
▶ Lease	-527	-444	-83
▶ EBITDA	-421	-477	+56
▶ Depreciation	-299	-345	+46
▶ Income from sales/affiliated	23	305	-282
▶ EBIT	-697	-517	-180
▶ EBT	-878	-698	-180
▶ EBT bef. nonrecurring items	-813	-988	+175



EBITDAR is improving



EBITDAR, Scandinavian Airlines
MSEK



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Key airline profitability drivers



2006 vs 2005
January-March

- ▶ Traffic (RPK)
- ▶ Cabin Factor
- ▶ Yields (currency adjusted)
- ▶ Total unit costs
 - Fuel adjusted unit cost

up 1,3%
up 5,8 p.u.
up 1,2%
up 7,1%
up 3,0%

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Scandinavian Airlines Danmark – strong cabin factor improvement more passengers



- ▶ Signs of reduced overcapacity in the home market
- ▶ Negative effect from pilot conflict in Q1 MSEK 110
- ▶ Positive situation between cabin factor and yield decline
- ▶ Solid traffic growth
 - Traffic up 7,7%
 - Capacity down 10,7%
 - Cabin factor up 11,2 p.u. to 65,7%

	Jan-Mar 2006	
Total revenues	2 313	2 233
EBITDAR	-82	-179
EBT	-289	-410



SAS Braathens hit hard by conflict and low image – actions taken to improve situation

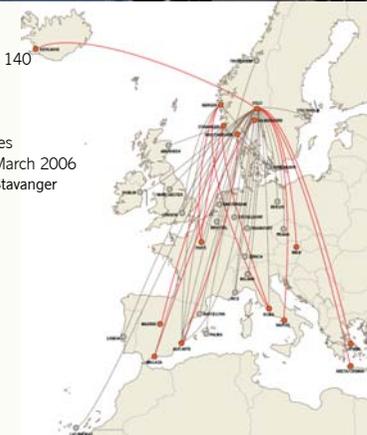


- ▶ EBT weaker by MSEK 410 vs last year
- ▶ Negative effect from conflict in Q1 appr MSEK 140
- ▶ Satisfactory traffic growth
 - Traffic up 8,3% vs Q1 2005
 - Cabin factor up 2,9 p.u. to 63,2%
- ▶ Over 40% internet bookings on domestic routes
- ▶ Capacity increasing with one aircraft as from March 2006
 - 11 new routes opened from Oslo, Bergen, Stavanger and Kristiansand

	Jan-Mar 2006	
Total revenues	2 807	2 663
EBITDAR	43	234
EBT, bef nonrecurring items	-156	-88

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Scandinavian Airlines Sweden – Q1 improved by MSEK 135



- ▶ Still fierce competition on Swedish domestic routes
 - Cost reductions behind improved earnings
- ▶ Traffic up by 3,2% vs 2005
 - Total cabin factor up 7,7 p.u. to 64,9%
 - Yield down by 2,6%
- ▶ Pilots moved to Scandinavian Airlines Sweden in March
- ▶ New cooperation with City Airlines as from April 2006 has improved service to/from Gothenburg



	Jan-Dec	
	2006	2005
Total revenues	1 869	1 808
EBITDAR	106	-39
EBT, bef nonrecc.	-84	-219

Nya Inrikesflyget 450



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Scandinavian Airlines International



- ▶ Development in 1st Quarter as expected
- ▶ Earnings improved although competition has increased
- ▶ Yield up 9,5% during the Quarter has compensated increased fuel costs
- ▶ Cabin factor improved 3,7 p.u. to 79,7%
- ▶ Several product improvements
 - Internet onboard all aircraft
 - Flat bed introduced 1st Quarter 2006

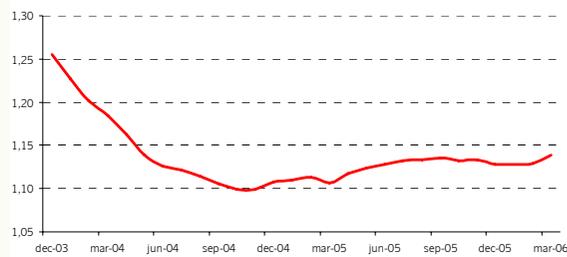
	Jan-Mar	
	2006	2005
Total revenues	1 592	1 594
EBITDAR	-36	-89
EBT	-234	-255



Yield has stabilized



12-months rolling



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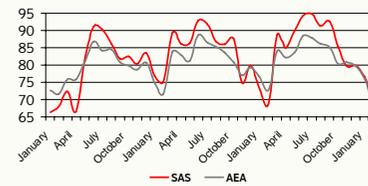
North Atlantic cabin factor stronger than AEA



% RPK vs. Last year



% Cabin factor



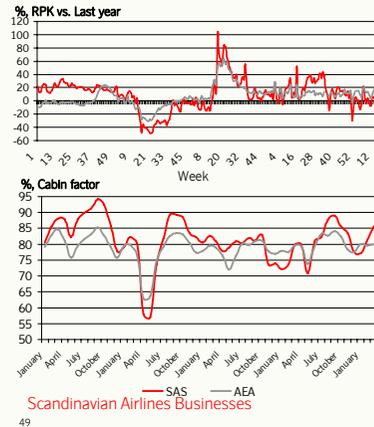
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- ▶ Daily departures to/from New York, Washington DC, Chicago, Seattle from Copenhagen
- ▶ Daily departures to/from New York and Chicago from Stockholm
- ▶ Compared with 2005 capacity has been reduced to New York and Washington DC resulting in improved cabin factors and lower volumes
- ▶ Positive mix
- ▶ Traffic in Jan-Mar 2006:
 - European airlines (AEA) traffic down 1,5%
 - SAS traffic down 12,5%



Strong traffic increase on Asian routes

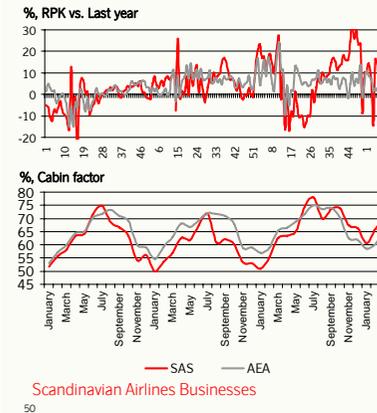


- ▶ Positive mix between Economy and Business Class
- ▶ Good development in Economy Extra
- ▶ Cabin factor higher than AEA
- ▶ Traffic in Jan-Mar 2006:
 - AEA traffic up 13,2%
 - SAS traffic up 1,1% albeit capacity being reduced



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Cabin factor over AEA on European routes



- ▶ Scandinavian Airlines has reduced its capacity by 6,2% in Q1
- ▶ Scandinavian Airlines introduced one way fares in September which significantly has improved cabin factor further
 - Cabin factor above AEA average since September
- ▶ Traffic Jan-Mar 2006:
 - AEA traffic up 3,9%
 - SAS traffic up 9,5%



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ECA agreement expires in 2007 – negative effect in 2006 estimated appr MSEK 400



- ▶ Tri-party Joint Venture agreement with BMI, Lufthansa and SAS signed November 9, 1999
- ▶ In effect from January 1, 2000
- ▶ Main scope: To integrate the parties scheduled pass. transport to/ from London/ Manchester
- ▶ Negative result effect 2002: MSEK 418 (335)
- ▶ Negative result effect 2003: MSEK 244
- ▶ Negative result effect 2004: MSEK 134
- ▶ Negative result effect 2005: MSEK 415
 - Result effect 1st Quarter 2006: MSEK –130 (-64)

Scandinavian Airlines Businesses



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Subsidiary & Affiliated Airlines



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Weaker 1st Quarter

	January-March		
MSEK	2006	2005	Change
▶ Revenues	3 514	2 607	+907
▶ Operating expenses	-3 318	-2 607	-711
▶ EBITDAR	196	207	-11
▶ Lease	-367	-242	-125
▶ EBITDA	-171	-35	-136
▶ Depreciation	-82	-76	-6
▶ Income from sales/affiliated	2	-3	-5
▶ EBIT	-251	-114	-137
▶ EBT	-281	-145	-136
▶ EBT before gains and nonrecurring items	-281	-145	-136

Subsidiary & Affiliated Airlines

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Subsidiary & Affiliated Airlines weaker than 2005

Jan-Mar in MSEK	Spanair		widerøe Member of the SAS Group		Blue		airBaltic	
Revenues	2 063	31%	721	12,8%	428	12,9%	287	49,5%
EBITDAR	143	24	68	-12	11	-23	12	19
EBT bef nonrec.	-235	-77	-2	-16	-26	-22	-18	-18

- ▶ Negative Easter Effect in Spanair
- ▶ Start up costs Blue1
- ▶ Challenges in Widerøe

Subsidiary & Affiliated Airlines

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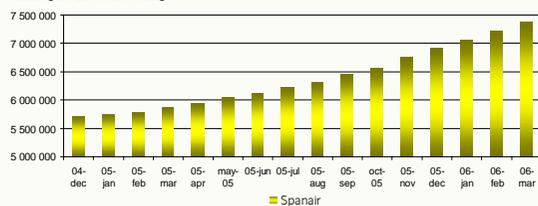


Spanair weaker due to different timing of Easter holiday and jet fuel

- ▶ Robust traffic development in first Quarter
 - ▶ Number of passengers up 35,65
 - ▶ Cabin factor up 5,9 p.u. to 60,1%
- ▶ Jet fuel up 70% vs last year corresponding to MSEK 212
- ▶ 1st Quarter negatively affected by Easter in April in 2006 vs March in 2005

	Jan-Mar	
	2006	2005
Total revenues	2 063	1 574
EBITDAR	143	119
EBT, bef nonrecurring items	-235	-158

Passengers 12 months rolling



Subsidiary & Affiliated Airlines

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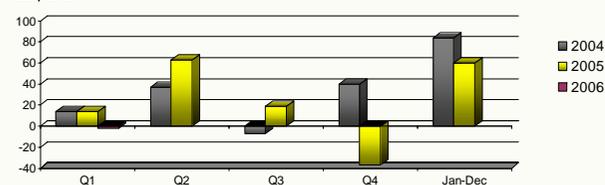


Widerøe weaker due to higher technical costs and less competitive agreement with personnel

- ▶ Traffic up 4,7% and cabin factor improved by 2,5 p.u. to 56,0%
- ▶ Yield was down 0,3% in Q1 due to more low fare tickets in the market
- ▶ Unit cost up 6,9% due to jet fuel and costs for technical maintenance

	Jan-Mar	
	2006	2005
Total revenues	721	639
EBITDAR	68	80
EBT, bef nonrecurring items	-2	14

EBT, MSEK



Subsidiary & Affiliated Airlines

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1st Quarter negatively affected by phase in costs of new aircraft – booking figures promising

- ▶ Start up cost with European expansion
- ▶ 9 new destinations introduced from Helsinki
- ▶ Booking figures on tourist destinations are promising
- ▶ Strong traffic figures in Q1
 - ▶ Passengers up 19,5%
 - ▶ Traffic up 23,8%
 - ▶ Cabin factor up 5,5 p.u. to 59,5%

	Jan-Mar	
	2006	2005
Total revenues	428	379
EBITDAR	11	34
EBT, bef nonrecurring items	-26	-4



Continued strong growth but result negatively affected by fuel

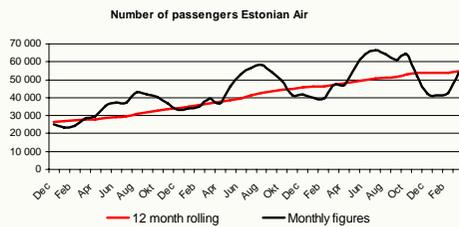
- ▶ EBT improved MSEK 15 due to improved utilization
- ▶ Strong traffic development
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 - ▶ Cabin factor improved 8,8 p.u. to 59,0%
- ▶ Unit cost up 7,7% negatively affected by fuel and personnel
- ▶ airBaltic competing successfully with Ryanair and Easyjet

	Jan-Mar	
	2006	2005
Total revenues	287	192
EBITDAR	12	-7
EBT, bef nonrecurring items	-18	-33



Estonian Air shows solid growth

- ▶ The SAS Group holds 49% in Estonian Air
- ▶ Estonian Air number of passengers up 9% in Q1
- ▶ Competitive cost position
- ▶ Increasing charter operation



Subsidiary & Affiliated Airlines



Airline Support Businesses



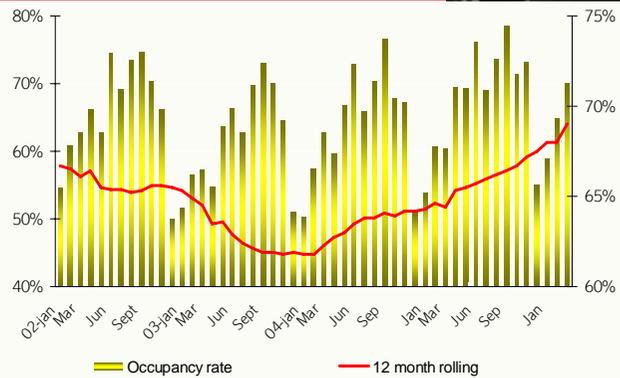
Airline Support Businesses



MSEK	January-March		Change
	2006	2005	
▶ Revenues	3 711	3 879	-168
▶ Operating expenses	-3 589	-3 578	+11
▶ EBITDA	122	301	-179
▶ Depreciation	-69	-132	+63
▶ EBIT	35	169	-134
▶ EBT	18	136	-118
▶ EBT bef nonrecurring items	39	136	-97



Significant improved occupancy rate



RevPAR improves



Financial update

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Balance sheet

MSEK	31 Mar 06	31 Dec 05
Liquid funds	8 864	8 684
Aircraft, spare parts	15 552	16 207
Other assets	33 312	33 125
Total assets	57 728	58 016
Operating liabilities	17 830	15 981
Interest-bearing liabilities	25 194	26 337
Deferred tax	3 537	3 617
Equity	11 167	12 081
Total liabilities and equity	57 728	58 016
Financial net debt	14 053	14 228

SAS Group

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Limited CAPEX

<u>Firm Aircraft Orders</u>	<u>Total</u>	<u>2006</u>	<u>2007</u>
Airbus A319	4	2	2
Boeing 737	2		2
<u>Number of aircraft</u>	<u>6</u>	<u>2</u>	<u>4</u>
CAPEX (MUSD)	161	52	109

SAS Group

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SAS Group has SEK 14 billion in available funds – improvement by SEK 3,5 billion

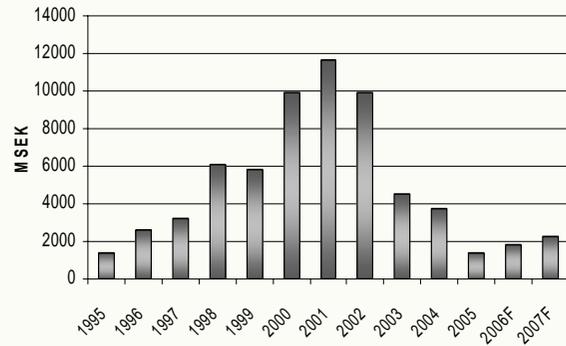
	March 06	March 05	Change
Liquid Funds MSEK	8 860	7 659	+1 201
Available Credit Facilities:			
Revolving Credit Facility (MEUR 400)	3 759	900	+2 859
Bi-lateral Facilities	1 500	2 000	-500
Others	347	400	-53
Total Available Facilities	5 606	3 300	+2 306
Total Available Funds	14 466	10 959	+3 507
▶ Available facilities	MSEK 5 606		
▶ Utilized facilities	MSEK 1 044		
▶ Total facilities	MSEK 6 650		

SAS Group

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SAS Group CAPEX holiday continues



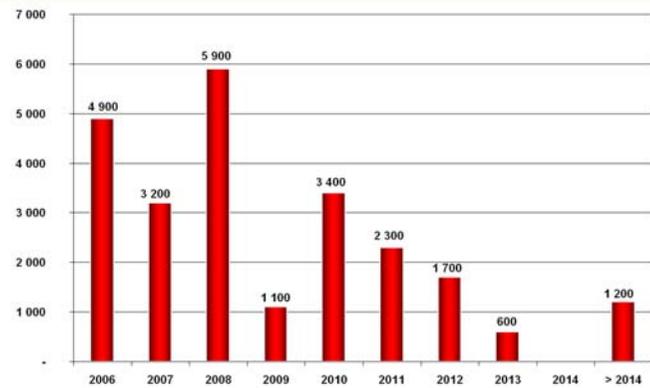
Key financial ratios and future targets

Key figures	Mar 06	Dec 05	Target
▶ Equity/assets ratio (solidity)	19%	21%	>30%
▶ Financial net debt/ equity	126%	118%	<50%
▶ Fin. net debt+7*Oplease/ equity	326%	290%	<100%

▶ Targets will be reached by:

- New Business Models and rationalization
- Capital Release:
 - Aircraft – phase-outs
 - Other Assets (Properties, non-core subsidiaries etc)
- Cash flow from operations

Amortization profile of interest bearing liabilities



Financial Net January-March 2006 vs last year

(MSEK)	Q1-2006	Q1-2005	Difference
Interest net and others	-226	-229	+3
Exchange rate differences	0	-13	+13
Financial net	-226	-242	+16

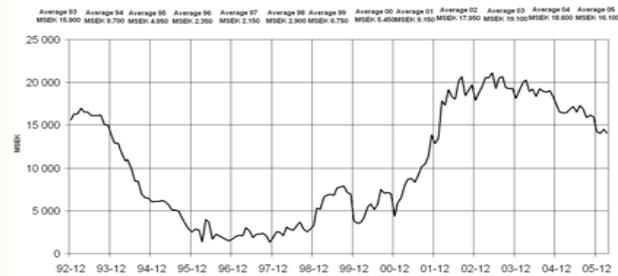
Development and break down of Financial Net Debt since year end

(MSEK)	060331	051231	Difference
Cash	8 864	8 684	+180
Other interest bearing assets	2 277	3 425	-1 148
Interest bearing liabilities	-25 194	-26 337	+1 143
Financial Net debt	-14 053	-14 228	+ 175

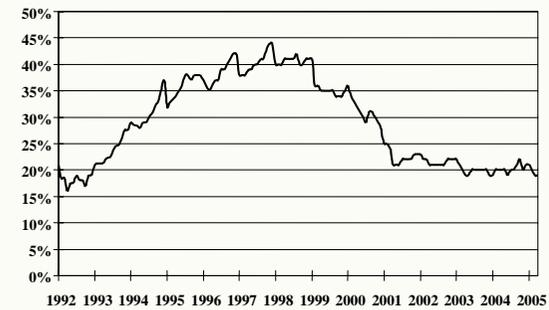
Development and break down of Financial Net Debt since last year

(MSEK)	060331	050331	Difference
Cash	8 864	7 659	+1 205
Other interest bearing assets	2 277	2 327	-50
Interest bearing liabilities	-25 194	-26 410	+1 216
Financial Net debt	-14 053	-16 424	+ 2 371

Development of Financial Net Debt



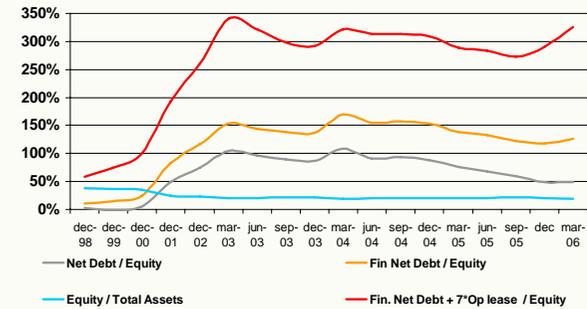
Equity/Asset ratio



Financial net debt/equity ratio



Gearing ratios weaker in Q1



Credit position – Sum up

- ▶ Solid liquidity of MSEK 8 864
- ▶ Substantial Committed credit facilities of MSEK 5 606
 - ▶ Credit facilities of MSEK 933 amortized in Q1
- ▶ Limited CAPEX in 2006-2007
- ▶ Streamlining of Group
- ▶ New cost adaptive measures under implementation and increased to SEK 2,5 billion
- ▶ Positive cash flow from operations
- ▶ Loss carry forward will improve tax position

APPENDICES

- Traffic Data
- Yield
- Unit cost
- Fleet
- Financial key figures

Yield development 2006 vs 2005

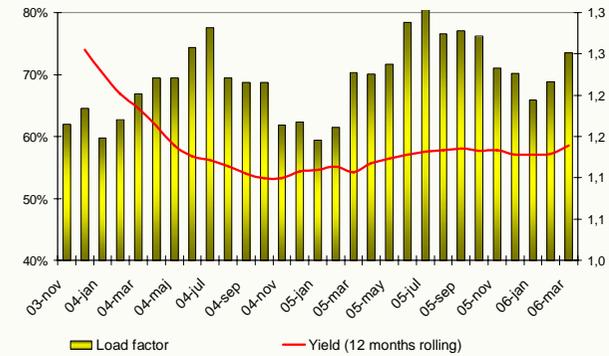


Scandinavian Airlines Businesses Total Scheduled

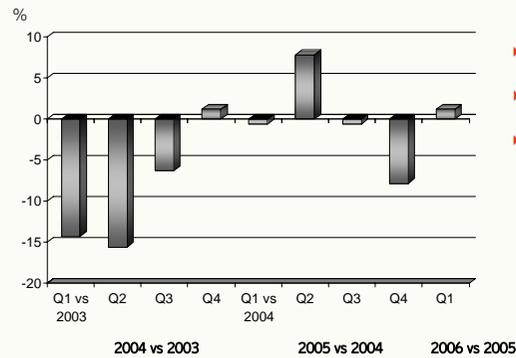
Jan-Mar	2006	2005	Change
Yield (öre/RPK)	114,7	108,2	6,0%
Currency adj. yield	114,7	113,4	1,2%



Improved load factors and stable yield



Yield development – Scandinavian Airlines Businesses



- ▶ Yields down 9,1% in 2004
- ▶ Yields down 0,3 in 2005
- ▶ Yield up 1,2% in Q1 2006



Passenger yield January-March 2006



Route Sector	Nominal yield	Currency effect	Adjusted yield
Scandinavian Airlines Busin.	106	95	101
Intercontinental	117	93	109
Europe	99	94	93
Intrascandinavian	96	95	91
Denmark	114	95	108
Norway	106	95	101
Sweden	104	99	103



Yield development 2006 vs 2005

Yield, local currency	Jan-Mar
	2,4%
	-0,3%
	-8,5%
	-6,8%

Subsidiary & Affiliated Airlines

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Unit cost development

Volume, curr and method adjusted

	JAN MAR 05	JAN MAR 06	Var%	Share of total var %
Cost analysis	-1 923	-2 006	4,3%	1,1%
Personnel	-1 259	-1 564	24,3%	4,1%
Fuel	-876	-853	-2,7%	-0,3%
Gov. Charges	-116	-113	-2,9%	0,0%
Selling cost	-1 318	-1 277	-3,1%	-0,5%
Ground Services	-1 048	-1 022	-2,5%	-0,3%
Technical	-434	-665	53,2%	3,1%
Other operating costs	-6 974	-7 500	7,5%	7,0%
TOTAL OPERATING EXPENSES	-505	-510	1,0%	0,1%
Aircraft costs	-7 479	-8 010	7,1%	7,1%
ADJUSTED EBIT				

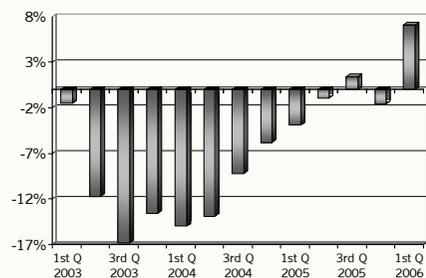
Scandinavian Airlines Businesses

86



Unit up in Q1 due to increased fuel costs, conflict in January and reduced capacity

Total unit cost, Scandinavian Airlines Businesses



- ▶ Unit cost down 10,9% in 2004
- ▶ Unit cost down 1,7% in 2005
- ▶ Unit cost up 7,1% in Q1
 - Adjusted for fuel, unit cost was up by 3,0% due to conflict and reduced capacity

Scandinavian Airlines Businesses

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Bock hours overview

12 months rolling Apr 05 - Mar 06	Air craft/day	Pilots/year	Cabin/year
Scandinavian Airlines Businesses	8,0	547	628
Spanair	8,2	666	789
Widerøe	6,9	471	439
Blue1	8,0	682	664
airBaltic	8,8	778	743

SAS Group

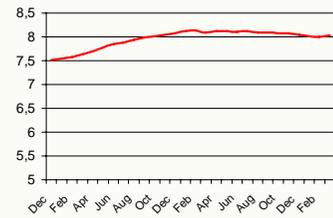
88



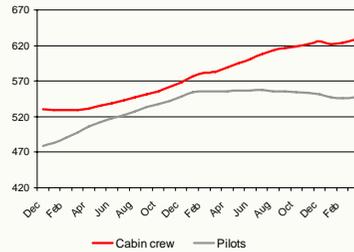
Key productivity ratios



Aircraft utilization (12 month rolling)



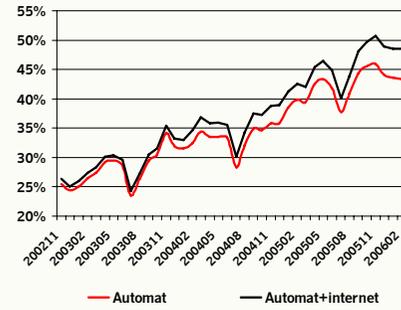
Cabin, pilot utilization (12 month rolling)



Self Service check in and internet check close to 50% and Internet Check in over 5%



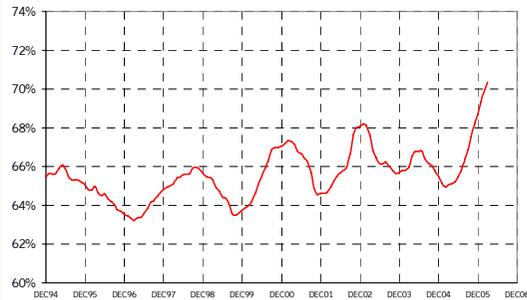
Internet check low, but increasing



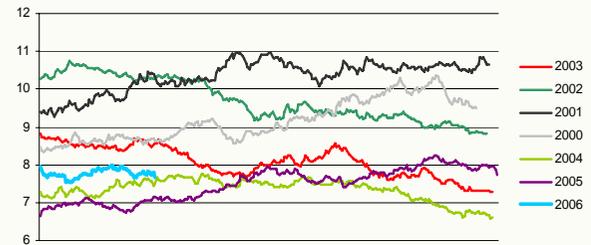
Long term passenger cabin factor trend positive



Moving 12 months values



USD has been stronger in 2006 vs 2005 affecting costs negatively



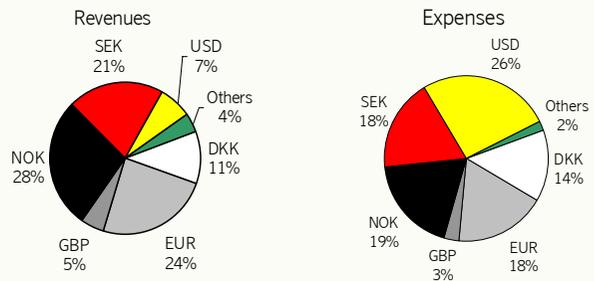
Currency effect – SAS Group
January-March 2006 vs 2005

MSEK	Jan-Mar
Total revenues	+620
Total costs	-860
<u>Forward cover costs & working cap.</u>	<u>+180</u>
Income before depr.	-60
<u>Financial items</u>	<u>+13</u>
Income before tax	-47

Currency effect – SAS Group
January-March 2006 vs 2005

Total revenues & costs: (Total -240 MSEK)		Working capital: (Total +92MSEK)	
Major approx. effects:		2005	-63
USD	-368	2006	+29
DKK	-17	Financial items: (Total +13 MSEK)	
NOK	+78	2005	-13
EUR	+17	2006	0
Asian curr.	+32	Grand total -47 MSEK	
All others	+18		
Forward cover costs: (Total +88 MSEK)			
2005	-42		
2006	+40		

Currency distribution in the SAS Group 2005



SAS Group fleet – March 2006

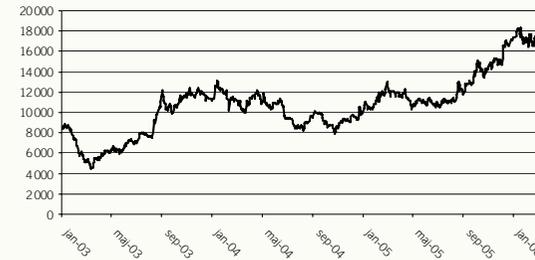
	Owned	Leased	Total	Leased out	On order
Airbus A330/A340	5	6	11		
Airbus A321/A320/A319	7	22	29		4
Boeing 737-serien	22	54	76	5	2
Boeing 717 (MD-95)		4	4		
Douglas MD-80-serien	23	66	89	5	
Douglas MD-90-serien	8		8	3	
Avro RJ-85/100		9	9		
Fokker F50	2	6	8	2	
deHavilland Q-serien	17	37	54		
SAAB 2000	5	5	10		
Total	84	209	293	15	6
<hr/>					
Scandinavian Airlines	68	123	191	15	6
Spanair		58	58		
Wideroe	16	14	30		
Blue1		14	14		
Total	84	209	293	15	6



SAS share



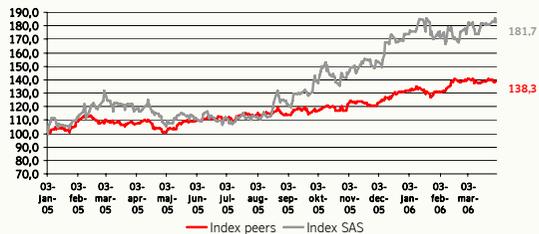
Development of Market Capitalization



SAS share up significantly more than index since December 2004



SAS Market Capitalization vs. European Peers measured in SEK
(December 31, 2004 - March 31, 2006)



* Peers: Alitalia, Air France, British Airways, Easyjet, Finnair, Lufthansa & Ryanair



Number of SAS trades share continues to increase



Number of shares traded in SAS per month

