



Presentation of 3rd Interim Report 2006

Teleconference, November 8



Continued positive load factor development and improved yield contributed to improved 3rd Quarter



- ▶ EBT bef nonrecurring items MSEK 969 in 3rd Quarter – up MSEK 350
 - Higher load factors and improved yield
 - Favorable Business cycle
 - Continued unit cost improvement
 - Jet fuel cost MSEK 800 higher than last year
- ▶ New cost measures of SEK 2,5 billion under implementation
 - 68% implemented
- ▶ Mats Jansson appointed new CEO from Jan 1, 2007
- ▶ IPO of Rezidor Hotel Group in process

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Improved profitability despite tough start of 2006 and record high fuel prices



MSEK	July-September		January-September	
	2006	Change	2006	Change
▶ Revenues	18 035	+1 468	50 418	+4 818
▶ EBITDAR	2 473	+319	4 979	+367
▶ EBIT	1 154	+352	874	+171
▶ EBT bef non-recurring items	969	+350	544	+658

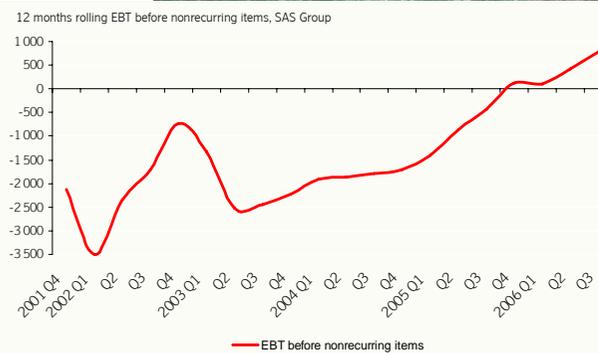


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SAS Group EBT on 12 months rolling at MSEK 772



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SAS A319 painted in retro color – Scandinavian Airlines 60 years

Gunilla Berg
CFO



Strong underlying result improvement Jan-Sep



MSEK	July-September		January-September	
	2006	Change	2006	Change
▶ EBT	893	+348	149	+304
▶ Restructuring	50	-52	145	-35
▶ SAS Technical Services (Sola)	-	-	160	160
▶ SAS Ground Services (Norway)	-	-	105	105
▶ Gains	-6	22	-47	92
▶ Other	32	32	32	32
▶ EBT bef non-recurring items	969	+350	544	+658
▶ Cost of conflicts			350	
▶ Pilots in January (Den./Nor.)				
▶ Cabin in April (Norway)				
▶ Underlying EBT	969	+350	894	+1 008

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Strongest improvements in Denmark and Sweden



Jan-Sep in MSEK	SAS Scandinavian Airlines Denmark		SAS Braathens		SAS Scandinavian Airlines Sweden		SAS Scandinavian Airlines International	
	2006	% Change	2006	% Change	2006	% Change	2006	% Change
Revenues	8 094	5,7%	9 366	3,3%	5 960	4,9%	5 934	2,2%
EBITDAR	583	+299	906	-356	711	+520	663	+159
EBT bef nonrec.	-11	+418	171	-253	176	+549	105	+113
Jul-Sep in MSEK								
Revenues	2 850	8,0%	3 243	5,8%	1 888	6,2%	2 245	1,3%
EBITDAR	262	+83	415	-48	197	+100	423	+39
EBT bef nonrec.	71	+139	155	-28	31	+124	250	+52

SAS Scandinavian Airlines

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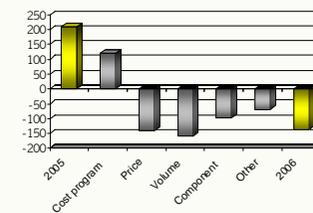
STS and SGS affected by lower volumes



Jan-Sep in MSEK	SAS SAS Technical Services		SAS SAS Ground Services		SAS Cargo		SAS SAS Flight Academy	
	2006	% Change	2006	% Change	2006	% Change	2006	% Change
Revenues	3 644	-13,7%	4 398	-3,8%	2 660	13,2%	332	0,6%
EBT, bef nonrec.	-136	-346	13	-111	46	+19	35	+12

- ▶ SAS Ground Services
 - Price pressure
 - Capacity increase
 - Price pressure
- ▶ SAS Flight Academy
 - Strong profits
 - Stable development

SAS Technical Services Jan-Sep

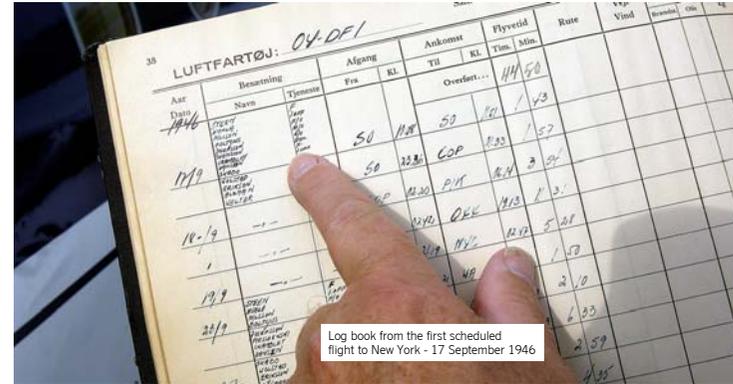
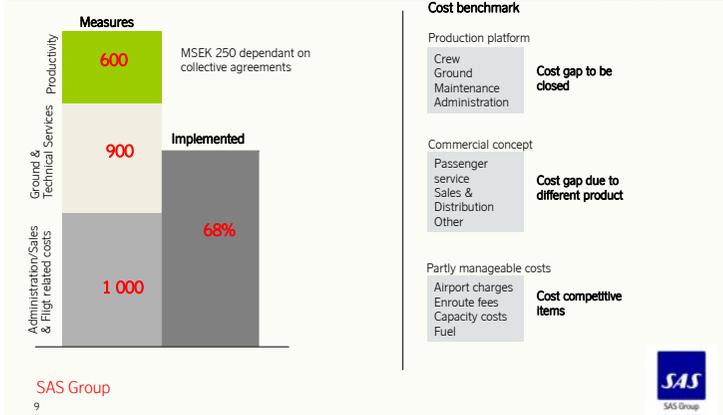


Airline Support Businesses

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SEK 2,5 billion being implemented Necessary to close strategic cost gaps



Gunnar Reitan
CEO & President



Strong growth in Blue1, airBaltic and Spanair. Widerøe hit by higher costs



Jan-Jun in MSEK	Spanair		widerøe Member of the SAS Group		Blue1		airBaltic	
Revenues	8 563	22,7%	2 203	4,1%	1 473	18%	1 152	39,6%
EBITDAR	1 178	-30	209	-92	93	-66	165	+89
EBT bef nonrec.	165	0	4	-93	-36	-84	44	+67
Jul-Sep in MSEK	Spanair		widerøe		Blue1		airBaltic	
Revenues	3 540	11,6%	713	0,4%	481	24%	465	43,5%
EBITDAR	636	-83	57	-32	45	+3	82	+30
EBT bef nonrec.	308	-10	-13	-33	2	+5	31	+13

SAS Individually Branded Airlines

Rezidor IPO before year end

- ▶ In line with SAS Group focus on core activities
- ▶ EBT bef gains Jan-Sep MSEK 235 (25)
- ▶ Favourable position for next phase in Rezidor development
- ▶ Profitable growth:
 - ▶ 20 000 new hotel rooms in 2007-2009
 - ▶ EBITDA-margin target 12%
- ▶ Carlson to increase shareholding from 25% to 35% at IPO price
- ▶ SAS Group to exit completely
- ▶ SAS co-branding to be evaluated



The Rezidor Hotel Group

Tough start of 2006, but good traffic performance has improved results



- ▶ Tough start of 2006
 - Negative result effect from conflicts of appr MSEK 350
- ▶ Stabilization in 2nd and 3rd Quarters
 - Improved yield
 - New Business Models & Strong Market Growth
 - Record cabin factor
- ▶ Cost measures of SEK 2,5 billion being implemented
 - Essential to improve productivity



Outlook

- ▶ Stable market growth 5-10% in SAS Group markets
- ▶ Positive yield expected for 2006
- ▶ No signs of weaker market
- ▶ Uncertainties about strength of future growth and fuel prices

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