



Q2 – Restructuring programme moving KPIs in the right direction

SAS

- Operating revenues +1.6%*
- Yield improvement of +2.7%*
- Forceful implementation of 4XNG plan:
 - Unit cost down by 10.7% ex fuel in Q2 Y/Y
 - Disposal of Widerøe and aircraft engines leading to net debt reduction of SEK 2.7 bn
- Increase in EBT before non-recurring items of MSEK 686 to MSEK 57
- Significant launch of new customer offering on June 9th

*Currency adjusted

The slide features a blue header with the title and SAS logo. The background image shows the tail of a SAS aircraft with the name 'SAS' and 'Landinnavan' visible. A semi-transparent white box contains the bullet points.

Forceful implementation of new strategy

<i>Initiatives</i>	<i>Progress</i>
 New agreements for flying crew & maintenance personnel	<ul style="list-style-type: none"> • Compensation effective as of December 2012 • New schedules effective as of March 13
 New pension schemes	<ul style="list-style-type: none"> • Move to contribution plans implemented in Sweden/Denmark; Norway to be completed by end of the year • New early retirement conditions implemented in Q2, adding a one-time effect of MSEK 450 to the result
 Admin centralization & FTE reduction	<ul style="list-style-type: none"> • Majority of 1,000 FTE reduction to be completed FY2012/13, of which 300 FTE implemented by the end of Q2 • OCC centralized to Stockholm
 Outsourcing	<ul style="list-style-type: none"> • Call Centres – Agreement signed with Sykes • Ground Handling – LOI signed with Swissport
 IT restructuring	<ul style="list-style-type: none"> • Contract agreement signed with new IT-supplier, Tata Consultancy Services (TCS)
 Divestments	<ul style="list-style-type: none"> • Agreement to sell 80% of Widerøe • Engine transaction completed during Q2 • Aircraft refinancing initiatives completed
 New customer offering	<ul style="list-style-type: none"> • Launch of SAS Go and SAS Plus on June 9th • 50 new routes in 2013 (of which 18 launched in Q2) • Wet lease agreements

SAS is delivering to meet the demands of the Scandinavian frequent travelers

Frequent travelers

- SAS main target group is the frequent traveller, with 5+ round trips/year
- Value access, time and simplicity
- Require the same service level whether they are traveling for business or leisure
- Represent approximately 70% of total market revenues (PoS) in Scandinavia



ACCESS

- 136 destinations
- More than 1,300 destinations available through partnerships
- 50 new routes in 2013



TIME

- Over 1,100 daily departures
- 21,900 daily departures via Star Alliance
- 90% punctuality in May 2013



SIMPLICITY

- Lounge access
- Fast track
- Mobile check-in, App
- SAS Go SAS Plus



GÖRAN JANSSON

CFO

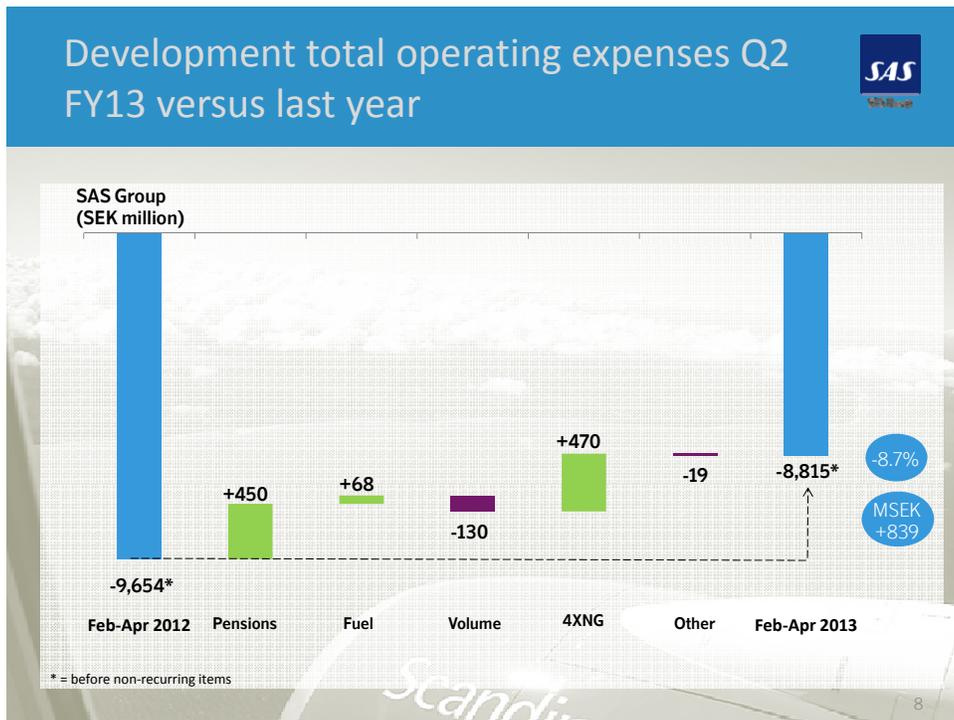
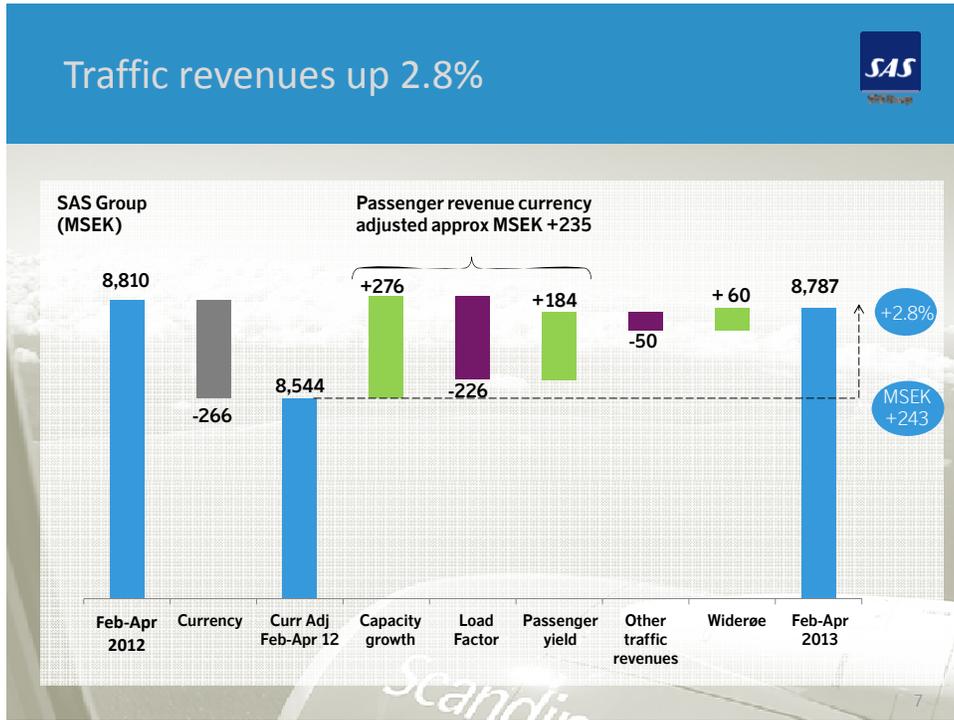
Significantly improved EBT

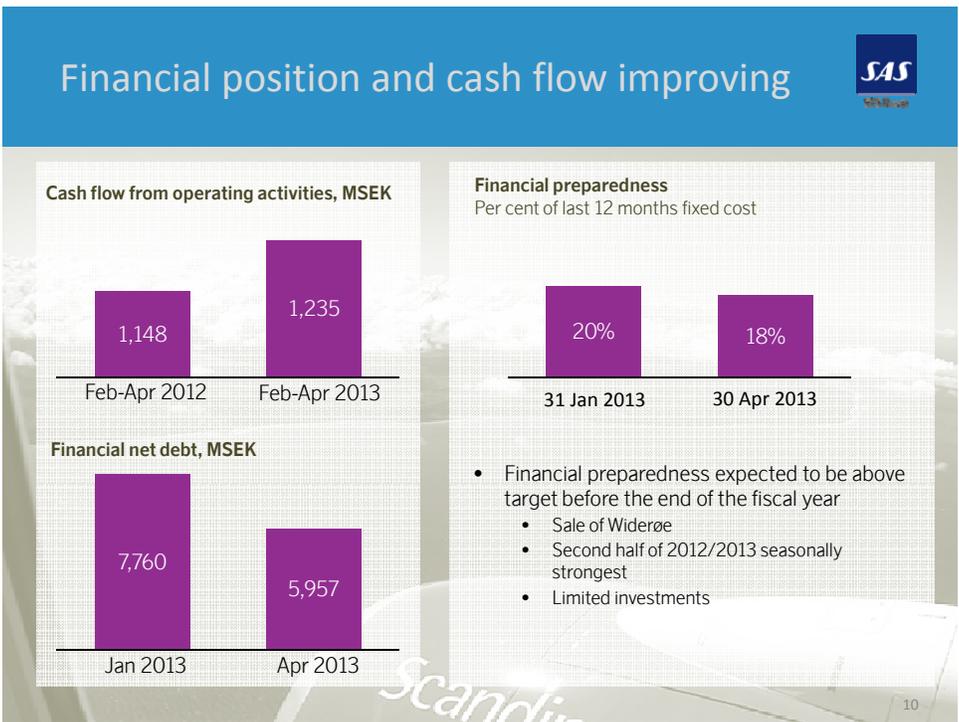
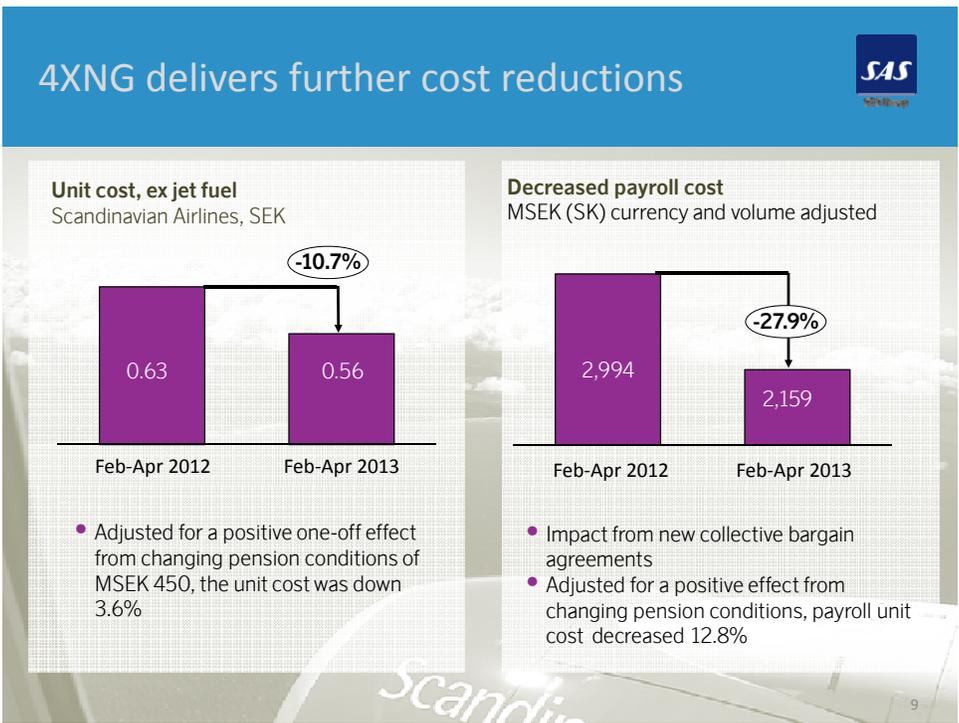


(MSEK)	Feb -Apr 2013	Share of revenue	Feb-Apr 2012	Share of revenue	Change (pp)
Total operating revenue	9,933		10,070		
Payroll expenses	-2,554	25.7%	-3,356	33.3%	-7.6
Fuel	-2,152	21.7%	-2,220	22.0%	-0.3
Government charges	-1,012	10.2%	-1,025	10.2%	+0.0
Other operating expenses	-3,097	31.2%	-3,053	30.3%	+0.9
Total operating expenses*	-8,815	88.7%	-9,654	95.9%	-7.2
EBITDAR before non-recurring items	1,118	11.3%	416	4.1%	+7.2
Leasing costs, aircraft	-423	4.3%	-364	3.6%	+0.7
Depreciation	-418	4.2%	-425	4.2%	-0.0
Share of income in affiliated companies	0	0.0%	-4	0.0%	-0.0
EBIT before non-recurring items	277	2.8%	-377	-3.7%	+6.5
Financial items	-220	2.2%	-252	2.5%	-0.3
EBT before non-recurring items	57	0.6%	-629	-6.2%	+6.8
Non-recurring items	-363	3.6%	-105	1.0%	+2.6
EBT	-306	-3.1%	-734	-7.3%	+4.2

* = before non-recurring items

6

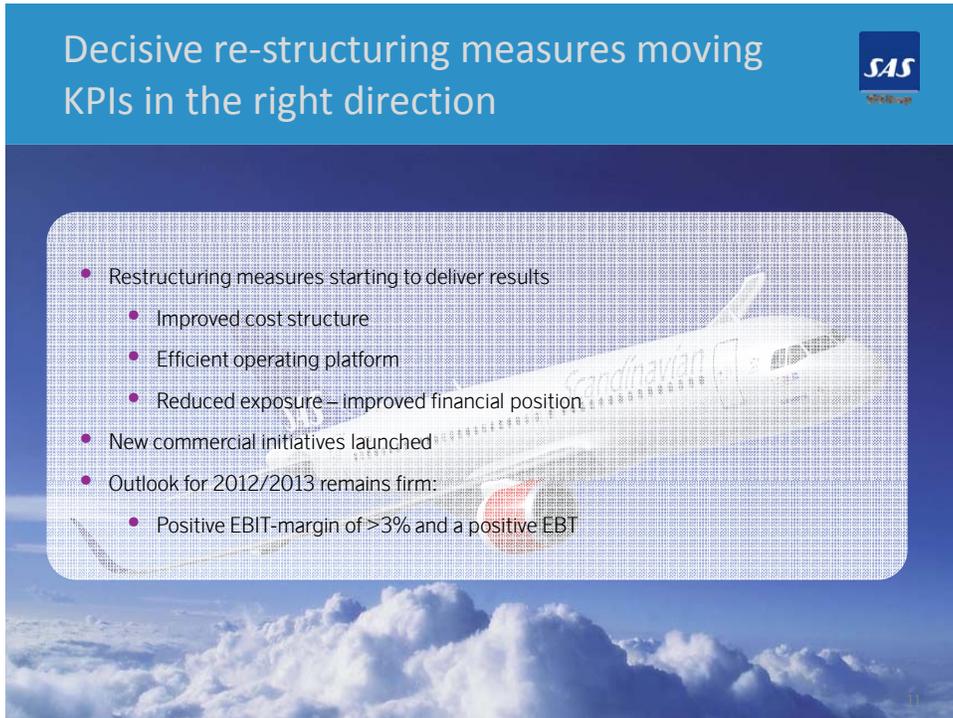




Decisive re-structuring measures moving KPIs in the right direction

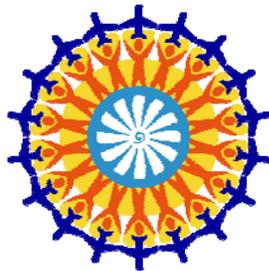


- Restructuring measures starting to deliver results
 - Improved cost structure
 - Efficient operating platform
 - Reduced exposure – improved financial position
- New commercial initiatives launched
- Outlook for 2012/2013 remains firm:
 - Positive EBIT-margin of >3% and a positive EBT



Thank you!





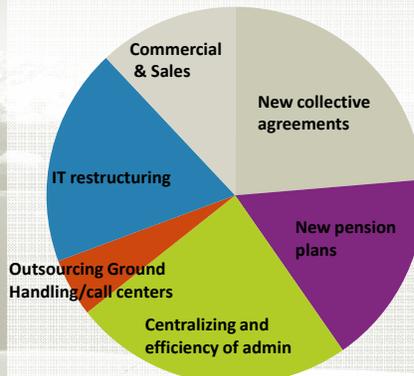
4EXCELLENCE

NEXT GENERATION

Implementation of 4Excellence Next Generation to reduce total costs by SEK 3 bn

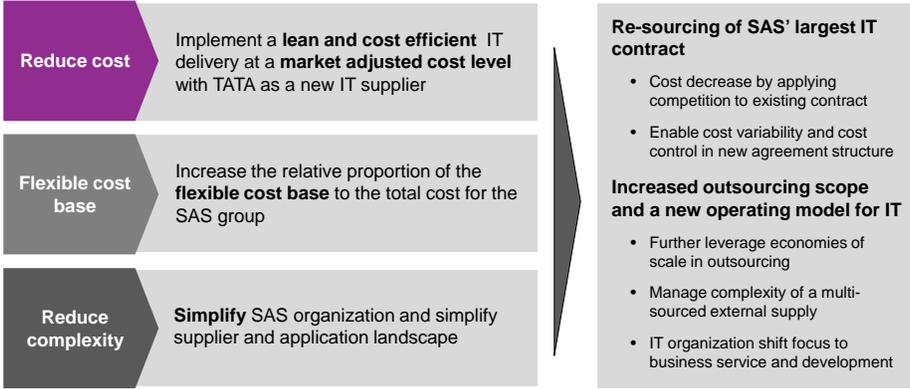


- New collective agreements
 - New planning schedules implemented in Q2
- New pension plans
 - To be gradually implemented until year end
- Significant cost saving expected from tendering IT services
- About half of FTE reductions to be implemented before the summer within admin
- Outsourcing initiative to reduce fixed cost base



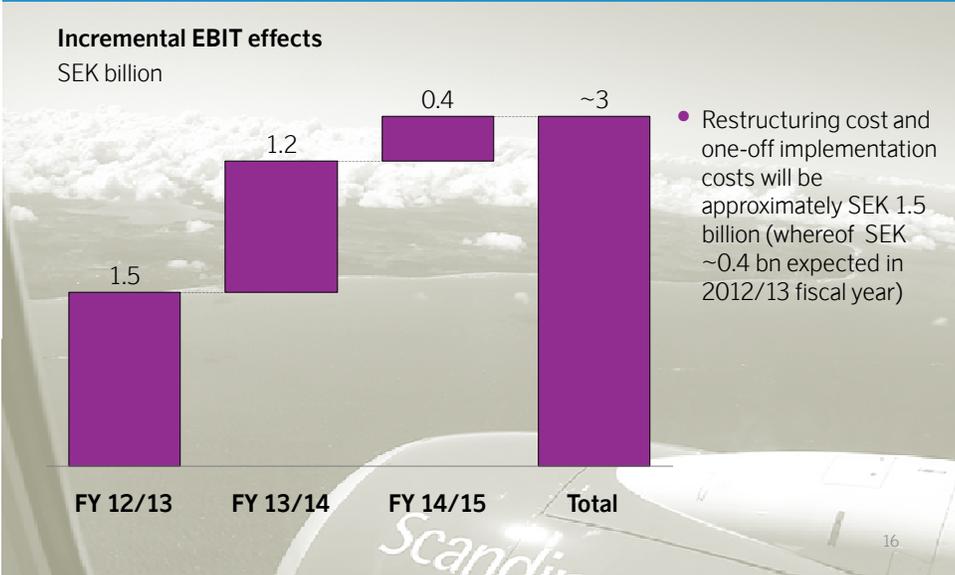
Scandinavian

Re-sourced IT and a new operating model to reduce IT costs by approx 15%

15

We are on track to deliver 50% of the financial effects in the current fiscal year

SAS new service offer on European routes



17

1982
BUSINESSMAN'S AIRLINE

2013
MAKES TRAVEL EASIER FOR YOU

The 2013 section includes a collage of images: a 'SAS FAST TRACK' sign, a 'WiFi' icon, 'ON-TIME PERFORMANCE' and 'FLIGHT DEPT'S' award medals, and a passenger using a laptop on a plane.

SAS invests in its product - Two product offerings



SASGo



SAS Plus



2013 News and updates



50 new routes
in 2013



Onboard refresh with
new seats on shorthaul



Fast track

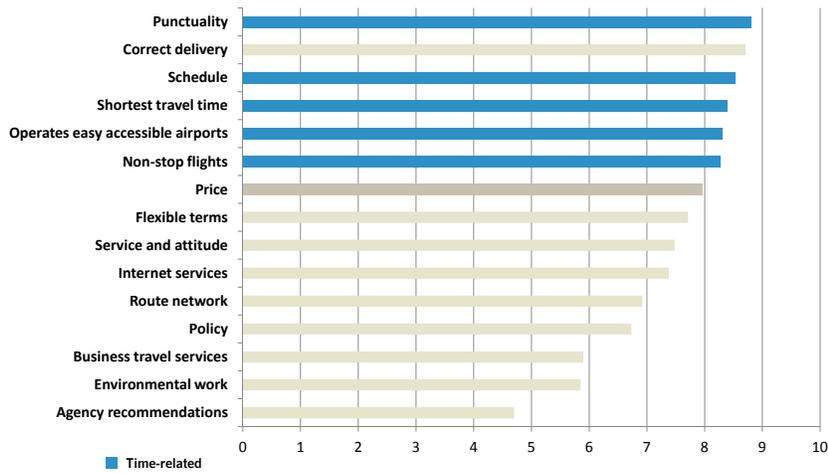


Design refresh



Scandinavian

Time related factors are most important for frequent travelers

Decision Criteria - Air - T
Active filter: 2011, T - Travel days per year - 11-40 Days, T - Travel days per year - 40 Days
Data source: Nordis/Independent.retail

21

Our new customer offering



	SAS Go	SAS Plus
Ticket Flexibility	Change against fee	Changeable
Refundable		√
Reserved seat at booking		√
Lounge		√
Fast Track		√
Coffee & Tea	√	√
Breakfast	√*	√
Food & Beverages	For purchase	Included
Baggage	1 bag à 23 kg	2 bags à 23kg
Priority Baggage Int'l		√
Eurobonus points	100%	200%

Lounge upgrades



Lounge upgrades



Appendices



Fleet & productivity

- Unit revenue (yield & RASK) & Unit cost
- Traffic & capacity outlook
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25

Modernization of fleet well in progress



SAS main aircraft



Airbus A330/340-300
Scandinavian Airlines



Airbus A319/A320/A321
Scandinavian Airlines



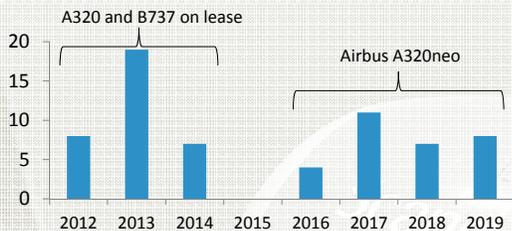
Boeing 737-600/700/800
Scandinavian Airlines

SAS aircraft being phased out

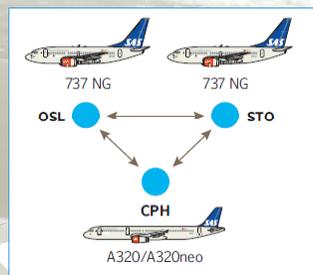
- MD80 and Boeing 737 Classic to be phased out by 2013 and 2014

Aircraft being phased in - no capex until 2016

- SAS is phasing in 30 leased modern aircraft that will completely replace older generation aircraft 2012-2014



One aircraft type per base from 2014



26

SAS Group fleet – April 2013



Aircraft Type	Age	Owned	Leased	Total	Leased out	Order
Airbus A330/340	10.9	5	6	11	0	
Airbus A321/A320/A319	9.1	4	14	18	0	30
Boeing 737 Classic	19.9	0	8	8	0	
Boeing 737 NG	11.3	23	56	79	0	
Boeing 717	12.7	3	6	9	0	
Douglas MD-80-series	22.5	16	-	16	0	
Douglas MD-90-series	-	8	0	8	8	
Avro RJ-85	-	0	1	1	1	
deHavilland Q-series	14.9	29	13	42	0	
Bombardier CRJ900 NG	3.9	12	0	12	0	
Total	12.4	100	104	204	9	30

*In addition SAS wet leases the following Aircraft: four CRJ200, four ATR and four S2000.

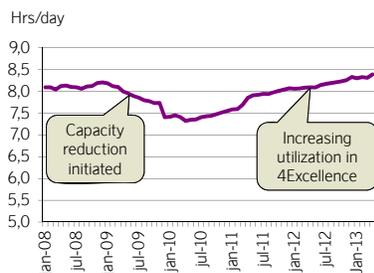
27

Productivity development



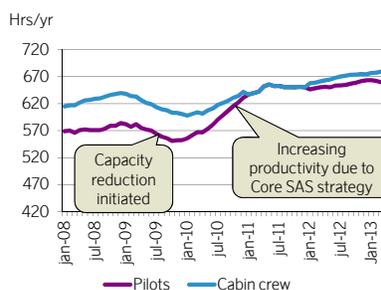
Scandinavian Airlines

Aircraft utilization (12 months rolling)



Scandinavian Airlines

Cabin, pilot utilization (12 months rolling)



Block hours, 12 months rolling, Apr 2013

Scandinavian Airlines
Widerøe

Aircraft, hours/day

8.4
6.7

Pilots, hours/year

663
485

Cabin, hours/year

686
490

28

Appendices



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- Unit revenue (yield & RASK) & unit cost**
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29

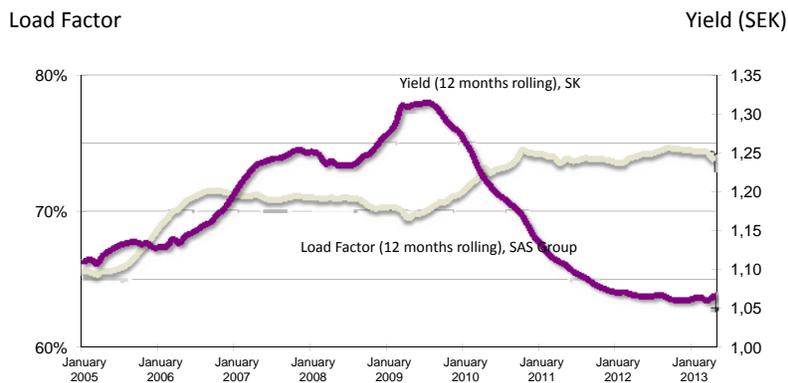
Yield and RASK development



Yield, SEK Currency adj		Q2	Nov-Apr	Yield, SEK Currency adj		Q2	Nov-Apr
		2.7%	2.2%*			3.7%	1.9%
RASK, SEK currency adj		Q2	Nov-Apr	RASK, SEK currency adj		Q2	Nov-Apr
		-1.3%	-0.4%			-0.3%	0.1%

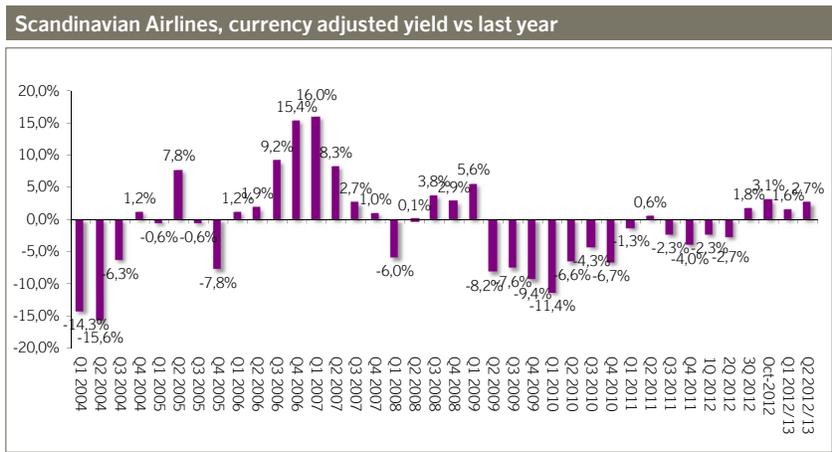
30

Stabilizing yield, with strong load factor

31

Quarterly yield development

Note: Including Blue1 from March 2012

32

Key drivers point in the right direction

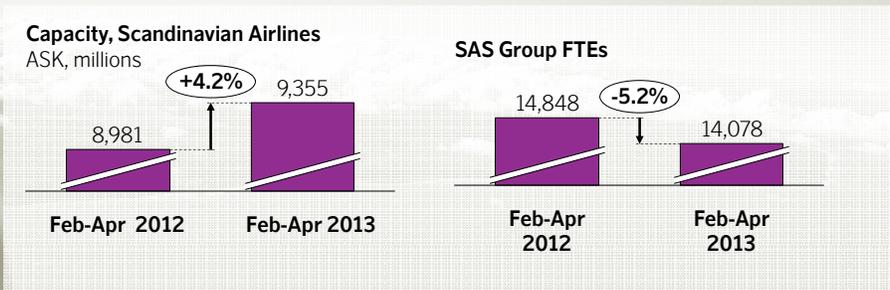


	Q2'12	Q3'12	Oct' 12	Q1 2012/13	Q2 2012/13
SAS Group					
Traffic (RPK)	↑ +5.9%	↑ +7.6%	↑ +5.4%	↑ +4.3%	↑ +1.0%
Passenger load factor	↑ +1.0 p.u.	↑ +1.5 p.u.	↓ -1.0 p.u.	↓ -0.3 p.u.	↓ -2.3 p.u.
Scandinavian Airlines*					
Passenger yield	↓ -2.7%	↑ +1.8%	↑ +3.1%	↑ +1.6%	↑ +2.7%
Total unit revenue (RASK)	→ +0.3%	↑ +3.6%	↑ +6.0%	↑ +0.6%	↓ -1.3%
Total unit cost (excluding fuel)	↓ -4.0%	↓ -6.1%	↓ -11.8%	↓ -2.7%	↓ -10.7%

* Including Blue1 from March 2012

33

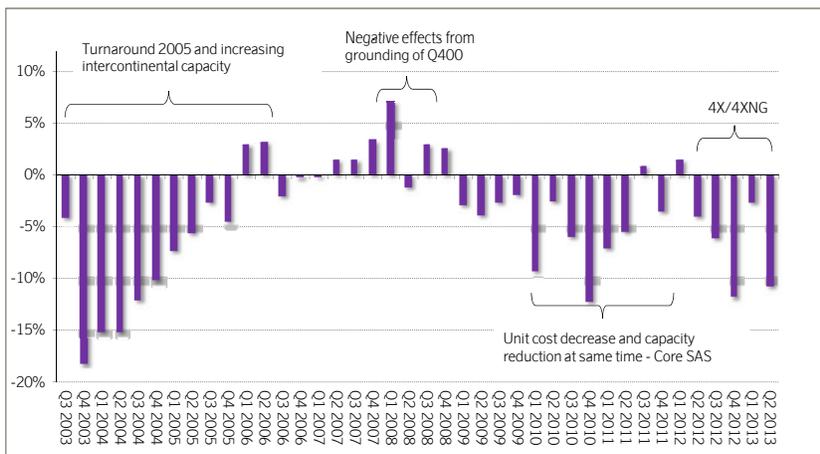
Unit cost reduced by 10.7% in Q2

Quarterly unit cost development



Scandinavian Airlines, currency adjusted unit cost excluding fuel vs last year



Note: Including Blue1 from March 2012

35

Breakdown of unit cost, Nov 2012 - Apr 2013



Scandinavian Airlines, SEK, currency adjusted

Unit cost breakdown	Nov 2012 - Apr 2013	Nov 2011 - Apr 2012	Var, %	Share of total var, %
Payroll expenses	-4,952	-6,024	-17.8%	-6.5%
Jet fuel	-3,973	-4,001	-0.7%	-0.2%
Government user fees	-1,807	-1,834	-1.5%	-0.2%
Selling and distribution costs	-1,120	-1,042	7.5%	0.5%
Handling costs	-760	-773	-1.8%	-0.1%
Technical aircraft maint.	-1,153	-1,123	2.7%	0.2%
Other operating expenses	-354	-220	61.2%	0.8%
Total operating expenses	-14,119	-15,018	-6.0%	-5.4%
Leasing costs for aircraft	-800	-757	5.6%	0.3%
Depreciation	-760	-776	-2.1%	-0.1%
Adjusted EBIT	-15,679	-16,551	-5.3%	-5.3%¹

¹ Excluding changes in pension conditions that reduces payroll expenses by MSEK 450 during Q2, the adjusted EBIT unit cost was down 2.5%

36

Breakdown of unit cost, Q2



Scandinavian Airlines, SEK, currency adjusted

Unit cost breakdown	Feb– Apr 2013	Feb -Apr 2012	Var, %	Share of total var, %
Payroll expenses	-2,159	-2,994	-27.9%	-9.9%
Jet fuel	-2,047	-2,123	-3.6%	-0.9%
Government user fees	-935	-949	-1.5%	-0.2%
Selling and distribution costs	-544	-534	1.7%	0.1%
Handling costs	-389	-383	1.4%	0.1%
Technical aircraft maint.	-572	-545	4.9%	0.3%
Other operating expenses	-259	-160	61.5%	1.2%
Total operating expenses	-6,903	-7,689	-10.2%	-9.3%
Leasing costs for aircraft	-413	-358	15.4%	0.7%
Depreciation	-377	-400	-5.7%	-0.3%
Adjusted EBIT	-7,693	-8,446	-8.9%	-8.9%¹

¹ Excluding changes in pension conditions that reduces payroll expenses by MSEK 450 during Q2, the adjusted EBIT unit cost was down 3.6%

37

Appendices



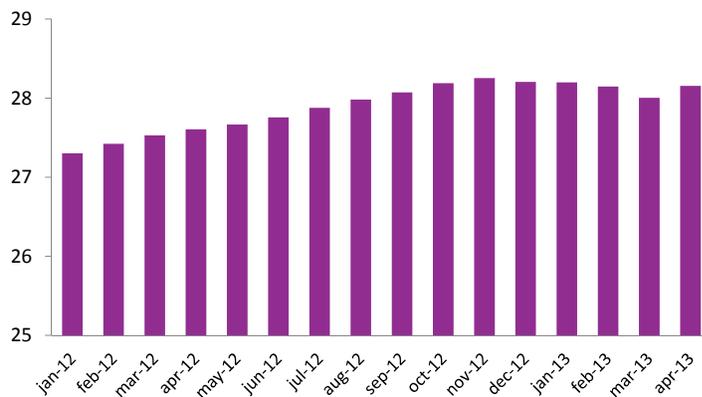
- Fleet & productivity
- Unit revenue (yield & RASK) & Unit cost
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- Currency & Fuel

38

SAS Group in a stable growth



Scheduled passenger SAS Group, 12 months rolling
(Million)

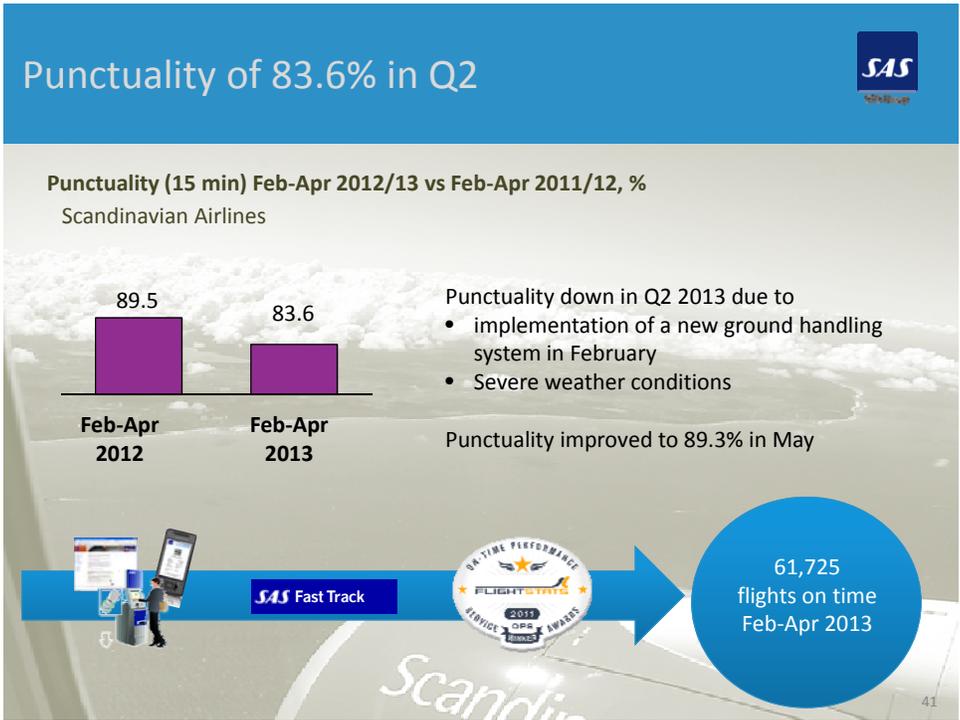


ASK outlook for financial year 2012/13



ASK outlook for November 2012 – October 2013

Scheduled	Financial year 2012/13 vs 2011/12
SAS Group	+5-6%
Scandinavian Airlines	+5-6%
Widerøe	6-8%



Appendices



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Financial targets



		Long term: FY 14/15	
NEW	Profitability EBIT %	>8%	1
NEW	Equity ratio Equity/Assets, %	>35%	2
NEW	Financial preparedness Cash & unutilized credit facilities / Fixed cost	>20% (70 days)	3

43

Overview of credit facilities – April 2013



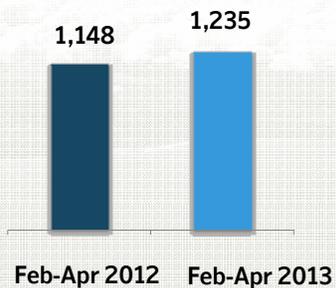
Available funds, SEK billion	Apr 2013	Maturity
Undrawn portion of credit facilities		
Revolving Credit Facility, SEK 2.7 bn	2.7	Mar 2015
Credit Facility, MUSD 125 & 65	0.0	Jan 2016, Oct 2017
Credit Facility, MUSD 68	0.3	Sep 2021
Others (MUSD 122)	0.0	Oct 2019
Total undrawn credit facilities	3.0	
Total credit facilities	5.2	
Drawn portion of credit facilities	2.2	
Undrawn portion of credit facilities	3.0	

44

Positive cash flow in Q2 2012/13



Cash flow from operating activities MSEK



- Improved cash flow from operation
- Working capital up MSEK 200 versus last year
- Net investments at MSEK 264
 - Free cash flow at MSEK 971
- Remaining amortization until October 2013 at approximately SEK 0.3 billion

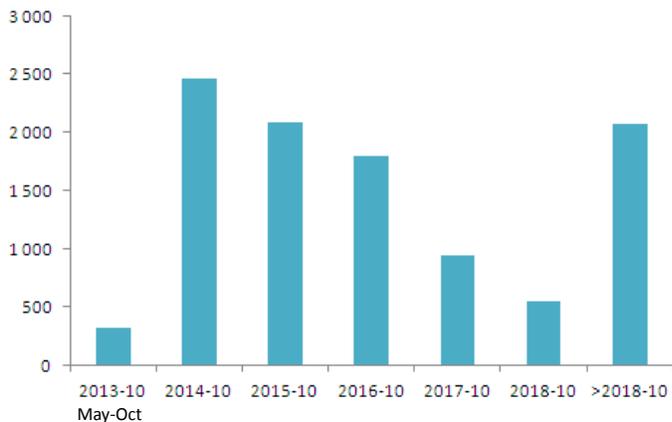
Scandinavian

45

Amortization profile

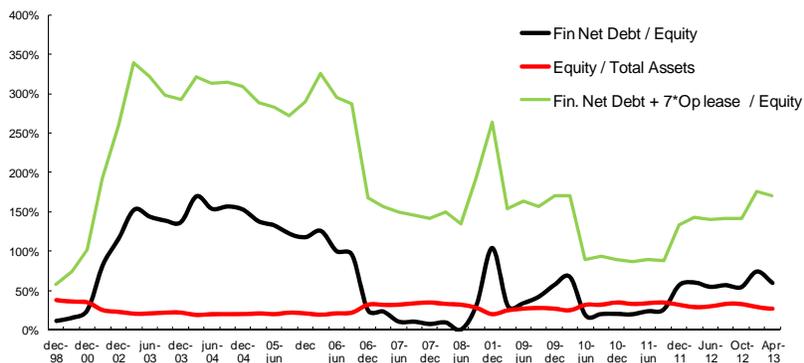


Scheduled amortization profile as of 30 April 2013, MSEK



46

Gearing ratios

47

SAS Group

Financial Net November-April



MSEK	Nov12-Apr13	Nov11-Apr12	Difference
Interest net and others	-469	-512	+43
Exchange rate differences	+6	+15	-9
Financial net	-463	-497	+34

MSEK	Feb13-Apr13	Feb12-Apr12	Difference
Interest net and others	-230	-281	+51
Exchange rate differences	+10	+29	-19
Financial net	-220	-252	+32

48

Development and Break Down

Financial Net Debt

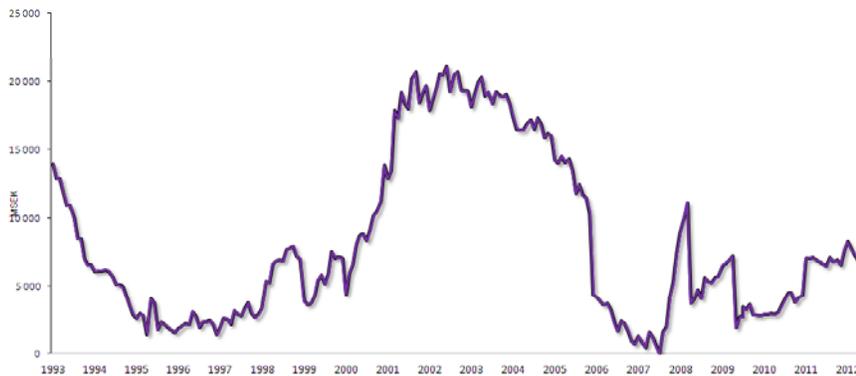


MSEK	30 Apr 2013	31 Oct 2012	Difference
Cash	3,061	2,789	-272
Other interest bearing assets	1,516	1,549	-33
Interest bearing liabilities	-10,534	-10,887	+353
Financial net debt	-5,957	-6,549	+592

49

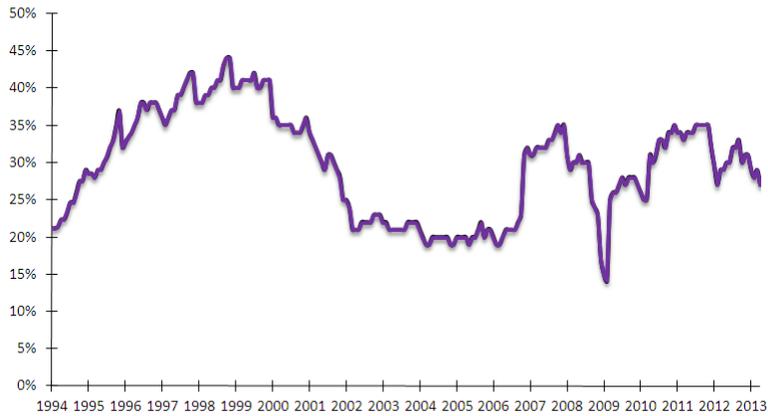
Development of financial net debt

1993-2013

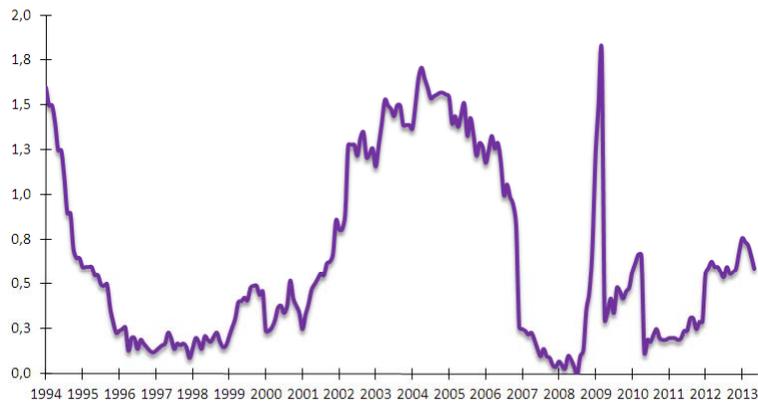
50

Equity / Assets Ratio 1993-2013



51

Financial Net Debt / Equity Ratio 1993-2013



52

Development of the financial net debt

Oct 2012-Apr 2013



SEK billion

Financial net debt October 2012	-6.5
Investments	-1.0
Sales	+0.8
Cash flow from operating activities	+0.8
Others	-0.1
Financial net debt April 2013	-6.0

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Breakdown of currency effects SAS Group



Total revenues & costs currency effects		Feb-Apr 2013 vs LY	Nov 2012-Apr 2013 vs LY
Total revenues & costs	USD	72	127
	DKK	6	28
	NOK	-48	-53
	EUR	3	16
	Asian currencies	-25	-34
	All others	-18	-18
	Total	-10	66
Forward cover costs	2012	-24	66
	2013	-21	-72
	Difference	3	-138
Working capital	2012	-7	-49
	2013	9	-4
	Difference	16	45
Financial items	2012	29	15
	2013	10	6
	Difference	-19	-9
Total currency effects		-10	-36

55

Changes in currency exchange rates

affected the result by MSEK -36 in Nov 2012-Apr 2013 vs Nov 2011-Apr 2012



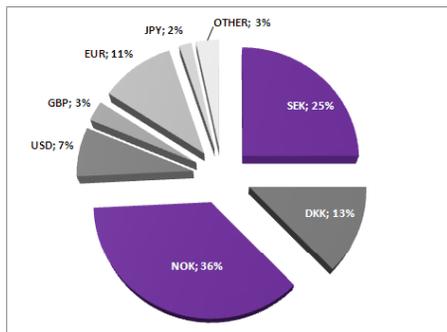
Currency effects MSEK on SAS Group 2012-13 vs 2011-12		Feb-Apr 13	Nov 12-Apr 13
<ul style="list-style-type: none"> Negative impact on revenue due to the stronger SEK 	Total revenue	-296	-435
	Total costs	286	501
<ul style="list-style-type: none"> Positive impact on other operating costs due to the stronger SEK 	Forward cover costs & working capital	19	-93
	Income before depreciation	9	-27
	Financial items	-19	-9
	Income before tax	-10	-36

56

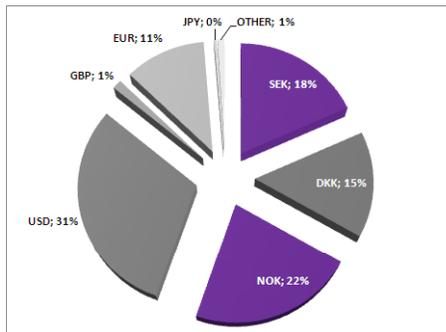
Currency distribution in SAS Group Jan-Oct 2012



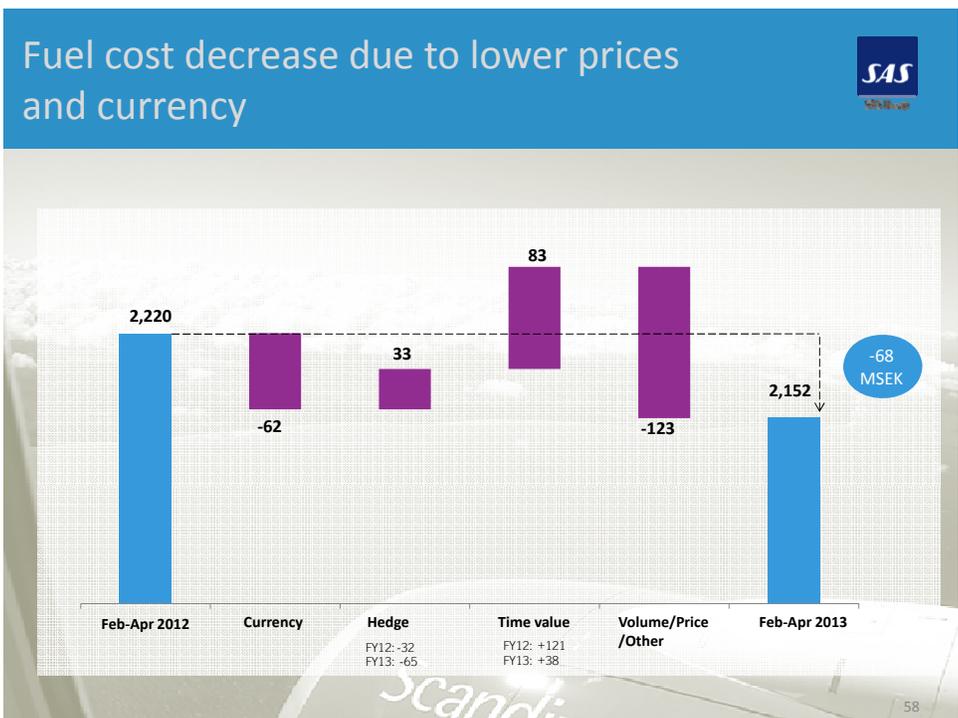
Revenue



Expenses



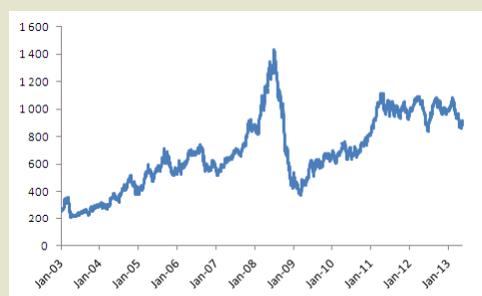
57



95% of fuel consumption hedged – limited fuel price exposure



Jet fuel, spot price development, USD



Current hedges

- 49% of the consumption hedged for next 12 months – within policy
- 95% of consumption hedged during May – October 2013
- SAS exposure to higher fuel prices limited in May-Oct 2013
- Call options enables SAS to benefit from lower fuel prices

59

SAS hedging position



SAS Group's jet fuel hedging portfolio May-Jul 2013 Aug-Oct 2013 Nov-Jan 2014 Feb-Apr 2014

Jet fuel hedging proportion	89%	100%	4%	3%
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SAS Group's jet fuel costs in 2012/13 (annual average values)

Market price	5.0 SEK/USD	6.0 SEK/USD	7.0 SEK/USD	8.0 SEK/USD
800 USD/MT	SEK 7.3 bn	SEK 7.9 bn	SEK 8.5 bn	SEK 9.2 bn
1,000 USD/MT	SEK 7.9 bn	SEK 8.7 bn	SEK 9.4 bn	SEK 10.1 bn
1,200 USD/MT	SEK 8.0 bn	SEK 8.8 bn	SEK 9.6 bn	SEK 10.3 bn
1,400 USD/MT	SEK 8.3 bn	SEK 9.1 bn	SEK 9.9 bn	SEK 10.7 bn

60