



Year end report 2004

Analyst presentation

February 11, 2005

Group | Scandinavian Airlines Business | Subsidiary & Affiliated Airlines | Airline Support | Airline Related Business | Hotels



2004 affected by unprecedented yield reductions, record fuel prices and large overcapacity



- 🔥 Turnaround 2005
 - Substantially improved cost platform
 - Focus on remaining activities
- 🔥 New business structure established
 - Incorporation of Scandinavian Airlines completed
 - Improved transparency and accountability
- 🔥 Significant overcapacity affecting yields and passenger load factor
- 🔥 Full year fuel cost SEK 1,5 billion higher than 2003
 - Net effect SEK 0,6 billion mainly from 1st Half (ex volume)
- 🔥 Revenue actions stabilized yield in 2nd half

Significantly improved business platform for 2005

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4th Quarter loss mainly attributable to 350 MSEK in exceptionals



- 🔥 Yield development according to plan
 - Positive yield 4th Quarter
- 🔥 Relative weak passenger load factor
 - Overcapacity in the market
- 🔥 One off effect of MSEK 350
 - Industrial actions by pilots in Spanair and cabin attendants in Scandinavian Airlines
 - Traffic disturbances in November/December in Scandinavia due to ATC problems
 - Method change SAS Cargo MSEK 100

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Improved full year and 4th Quarter EBITDAR result



MSEK	October-December			January-December		
	2004	2003	Change	2004	2003	Change
🔥 Revenues	14 940	13 824	+1 116	58 073	57 754	+319
🔥 EBITDAR	1 181	814	+367	4 383	3 761	+622
🔥 Lease, depreciation & financial net	-1 660	-1 605	-55	-6 584	-6 569	-15
🔥 Capital gains and non-recurring items	-75*	170*		-132	751	
🔥 EBT	-419	-245	-174	-1 945	-1 470	
🔥 EBT bef non-recurring items	-344**	-415	+71	-1 813	-2 221	+408

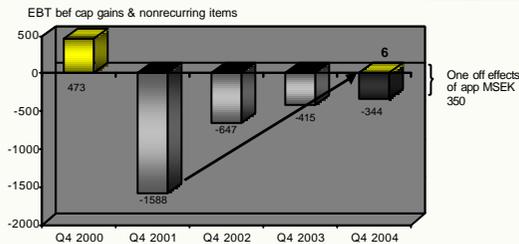
*) Restructuring costs of MSEK 84 (341) **) Including negative off effects of MSEK 350

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Best underlying 4th Quarter result in 4 years

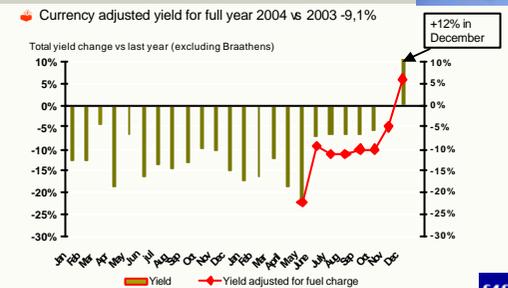


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Positive yield in December Indications for January flat or slightly positive



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SAS Group with increased commercial focus in 2005



SAS Group strategic focus areas

Commercial excellence	Cost improvement	Optimization of production	Portfolio strategy	Governance & organization
<ul style="list-style-type: none"> Customer segmentation Products Pricing Revenue management Sales Distribution Ancillary revenue 	<ul style="list-style-type: none"> Turnaround 2005 Further rationalization Flexibility in cost base 	<ul style="list-style-type: none"> Optimization of production system and network development Capacity & Utilization focus Ensure presence in growth markets 	<ul style="list-style-type: none"> Alliances Structural deals Horizontal integration 	<ul style="list-style-type: none"> Group governance Competence development Communication

Capacity & Utilization focus effect mainly as from March 2005



- Overcapacity and weak passenger load factors
- SAS Group initiates as of November capacity adjustments
- Result effect (net) MSEK 400-500

Scandinavian Airlines Operations

- No effect on capacity in November/December
- 2 MD's by January 1% (ASK)
- 4 MD's by February 2% (ASK - accumulated)
- 9 MD's by March 4% (ASK - accumulated)

Target: To improve balance between supply and demand
 Combined with increased commercial focus => to improve passenger load factor in 2005

New European product launched on October 31

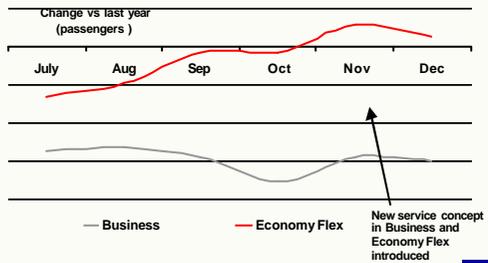


Business

Economy

Economy Flex

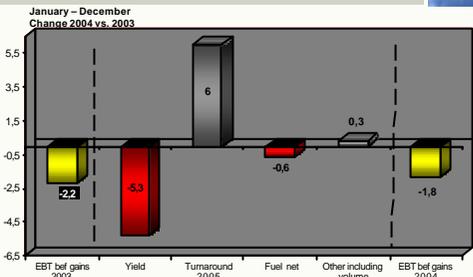
Positive trend in Economy Flex Stabilized Business Class

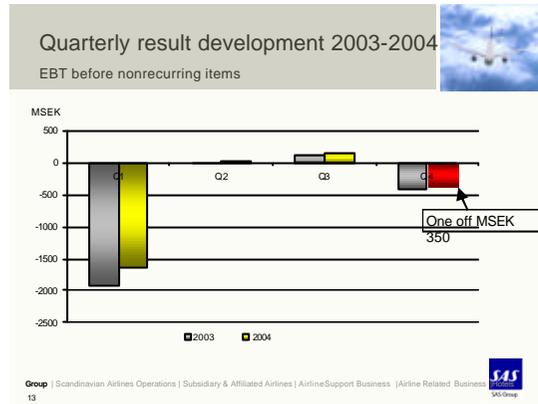


Gunilla Berg
CFO



Cost savings offset yield decline and increased jet fuel costs





EBT before gains and nonrecurring items - Business area

Business area	Q4		January-December	
	Oct-Dec 2004	Change	2004	Change
Scandinavian Airlines Businesses	-138	105	-1 439	324
Subsidiary & Aff. Airlines	-89	5	-136	66
Airline Support Businesses	57	-24	498	431
Airline Related Businesses	8	-12	40	-22
Hotels	98	144	1	236
Group eliminations, other	-280	-147	-777	-627
EBT, before gains & exceptionals	-344	71	-1 813	408

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Negative one off effects in 2004

EBT	-1 945
Restructuring and capital gains	132
EBT bef. nonrecurring items	-1 813
– Pilot conflict Spanair	-150
– Cabin conflict and ATC	-100
– SAS Cargo accounting method change	-100
One off effects	350
EBT bef one offs and nonrecurring items	app -1 463

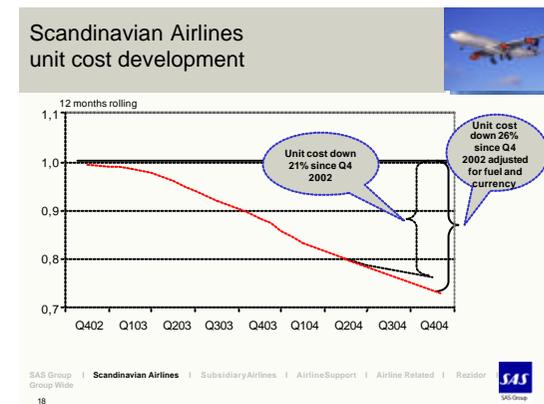
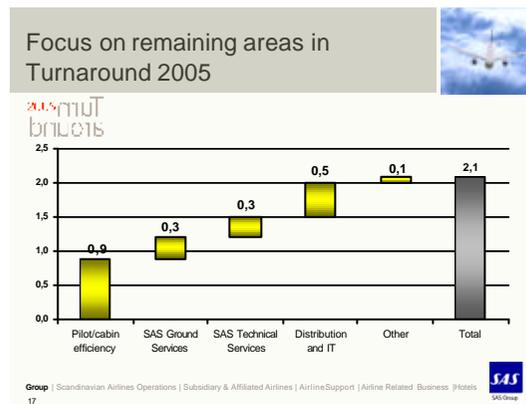
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Turnaround 2005

SEK 2,1 billion remaining

- 85% implemented as of December 2004
 - SEK 11,9 billion implemented
 - Remaining MSEK 2 100 to be implemented in 2005
- Result effect SEK 6 billion in 2004
 - Total effect SEK 9,6 billion 2003-2004

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Jørgen Lindegaard
CEO



SAS Braathens very competitive after Turnaround 2005 and new price concepts

- Traffic increased 9,1%
- Cabin factor up 2,9 p.u.
- Stable market share
- New price concepts – one way pricing
- Result MSEK 4
- New web site 2nd most popular in Norway
 - More than 30% SAS Braathens

SAS Braathens		2004
Total revenues		11 418
EBITDAR		1 187
EBIT		-123
EBT		-162
EBT bef nonrecurring items		43
EBT, bef nonrecurring items		4



Spanair's result affected by pilot action, March 11 and record fuel prices

- Pilot conflict affects result negatively by app. MSEK 150, net fuel effect app MSEK 235
- 11 March negative effect app MSEK 45
- EBT before gains improved MSEK 74 vs 2003
- Innovative products
 - Full service and simple travel
 - One way prices on whole system
 - Punctuality guarantee
- Increased market share



	Oct-Dec		Jan-Dec	
	2004	2003	2004	2003
2004 data:	1 699	1 608	7 949	7 628
Traffic up 12,2%	271	190	1 252	1 105
Yields down 7,6%	-88	23	25	16
Unit cost down 10,4%	-100	0	-41	-45
EBT bef. gains	-100	-90	-88	-162

Best result ever for Widerøe



Turnaround 2005 having full impact

- EBT before gains improved vs 2003
- Traffic up 10,3% in 2004 and cabin factor up 0,5 p.u.
- Yields down 6,9%
- Turnaround 2005 proceeding according to plan
 - Unit cost down 3,6%, excluding fuel price unit cost down app 6%

	October-December		January-December	
	2004	2003	2004	2003
Total revenues	673	615	2 502	2 477
EBITDAR	107	87	349	343
EBIT	48	23	115	96
EBT	40	47	84	77



Blue1 – EBT in Q4 improved by MSEK 43 vs 2003



Blue1's result improving strongly in Q4

- Traffic in 2004 up 77,9%
- Yields down 22% in 2004 and down 12,7% in Q4
- Code share agreement with Lufthansa as from October
- Jet fuel cost up MSEK 73 vs 2004 adjusted for volume and currency
- Turnaround 2005 proceeding according to plan
 - Unit cost down 10%
- Introducing Helsinki-Vaasa/Rovaniemi in January 2005

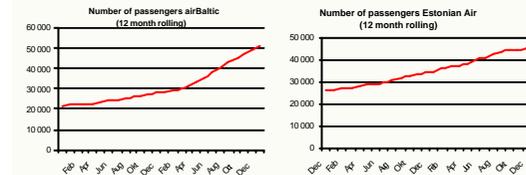
	October-December		January-December	
	2004	2003	2004	2003
Total revenues	399	262	1 306	948
EBITDAR	47	4	58	79
EBIT	11	-35	-92	-70
EBT	1	-42	-111	-80



Impressive growth in airBaltic and Estonian Air continues



- The SAS Group owns 49% in Estonian Air and 47,2% in AirBaltic
- Number of passengers have increased by more than 40% during 2004
- State of the art cost efficiency level – approximately 50% lower than west European network airlines



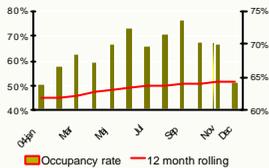
Hotels positive full year after strong 4th quarter



MSEK	October-December		January-December	
	2004	2003	2004	2003
Revenues	1 315	952	4 552	3 558
EBITDA	112	-41	137	-125
EBT	134	-62	38	-253
EBT bef. gains	98	-46	1	-245

Positive result as expected

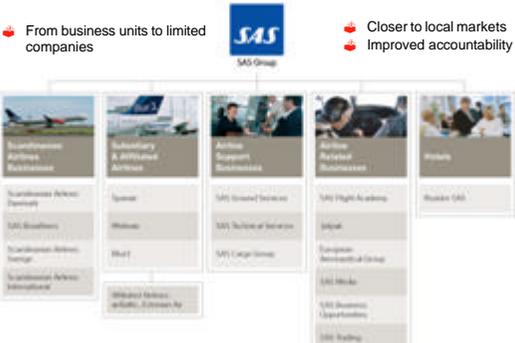
- Recovery for RevPAR from September
- Number of rooms sold increased
 - Price pressure reduced
 - REVPAR up 3.6% in Q4
- 12 month occupancy rate improved 2,3 p.u.
- Number of hotels in operation increased 17% during the year (from 162 to 190)



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Incorporation of business units

- From business units to limited companies
- Closer to local markets
- Improved accountability



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Airline Support Businesses result with significant improvements



Jan-Dec in MSEK	LAT	SAS	SAS Cargo
EBT, bef gains	230 +155	279 +435	11 -40

- SAS Technical Services has reduced prices to customers within the Group by app 5-10%
 - Costs reduced by MSEK 1 300
 - New full service contracts signed with a total value of MSEK 800
- SAS Ground Services has reduced prices to customers by app 5-10%
 - Costs reduced by MSEK 700
- SAS Cargo negatively affected by method change

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Sum up

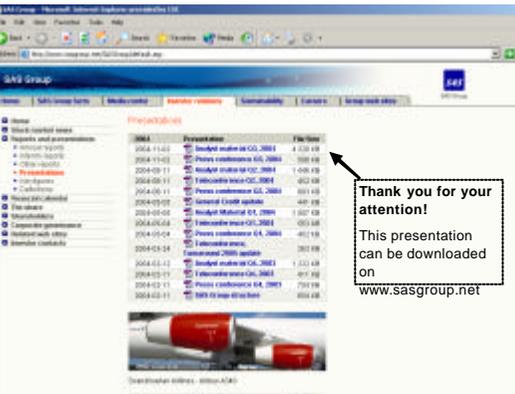


- Improved yields second half, but low load factors
- Record high fuel prices offset second half
- Turnaround 2005
 - 26% Unit cost reduction
 - Focus on remaining activities
- Capacity & Utilization Focus initiated – full effect as from March
- Economy Flex positively received by customers

Cautious outlook

- Uncertainties in the marketplace
- Business Plan shows positive earnings
 - Unchanged yields
 - Favorable traffic development
 - Unchanged business environment

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Additional slides for further information

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The SAS Group position as the 4th largest airline group in Europe retained



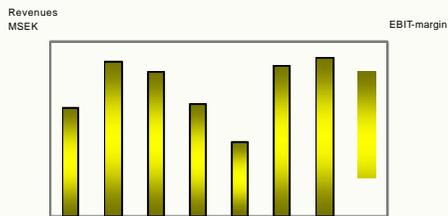
SAS Group number 11 world wide

Blue1 regional member as from 31 October 2004 – Group has three members



Group
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Group revenues and EBIT-margin development



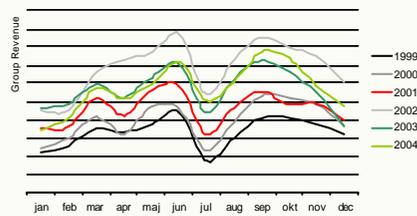
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Revenue seasonality pattern

Revenues improving vs 2004 since June

- higher volumes
- Reduced yield decline



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SAS Group EBITDAR and CFROI

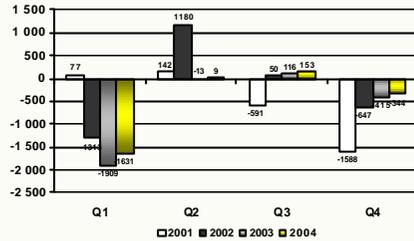
MSEK, January-December	2004	2003	
Revenue		58 073	57 754 5.5%
EBITDAR	4 383	3 761	16.5%
EBITDAR-margin	7.5%	6.6%	+1.0 p.p.
CFROI	9%	7%	+2 p.p.

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SAS Group – Quarterly EBT

EBT bef gains
MSEK million



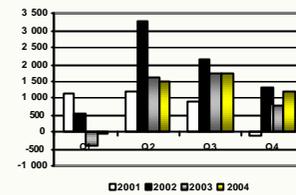
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EBITDAR development

EBITDAR
MSEK



EBITDAR in Q4 2004 was
1 181 (814) MSEK

EBITDAR
 - Scandin Air . 679 MSEK
 - Spanair 271 MSEK
 - Widerøe 107 MSEK
 - Blue1 47 MSEK

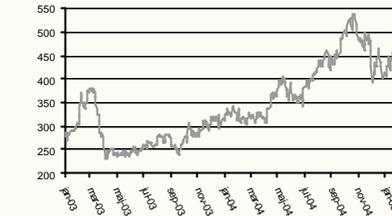
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2004 affected negatively by MSEK 1 509 higher jet fuel costs

- Current spot price app 35% higher than 2003
- SAS Group has 50% hedge in place for January-December 2005



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Record high jet fuel prices -Average spot rate 64% higher in Q3 vs 2003

Average market prices:

2000	297 USD/MT
2001	245 USD/MT
2002	233 USD/MT
2003	282 USD/MT
2004	399 USD/MT
Q1 2003	323 USD/MT
Q2 2003	244 USD/MT
Q3 2003	264 USD/MT
Q4 2003	298 USD/MT
Q1 2004	322 USD/MT
Q2 2004	365 USD/MT
Q3 2004	433 USD/MT
Q4 2004	474 USD/MT

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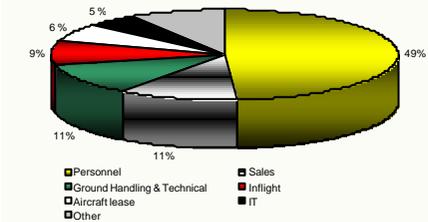
2005
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Distribution of cost reductions in Turnaround 2005 by cost category

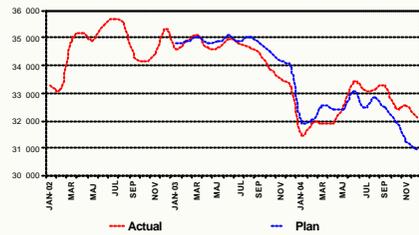


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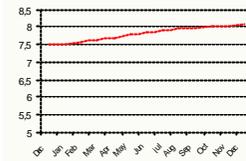
Number of personnel development for the SAS Group



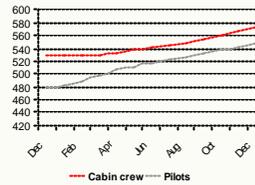
Key productivity ratios significantly improved but full target not possible to reach in 2005



Aircraft utilization (12 month rolling)



Cabin, pilot utilization (12 month rolling)



Block hours for Group Airlines in 2004

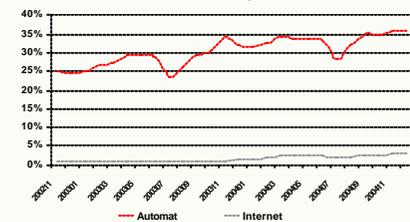


Majority owned Airlines Jan-Dec 2004	Air craft /day	Pilots/year	Cabin/year
Scandinavian Airlines Operations	8,1	550	570
Spanair	8,6	716	879
Widerøe	6,7	530	488
Blue1	7,8	694	746
airBaltic	7,3	742	783

Internet check in has doubled but from low levels



- Target to increase Self Service check in to 60% in 2005
- Internet check low, but has tripled in 2004



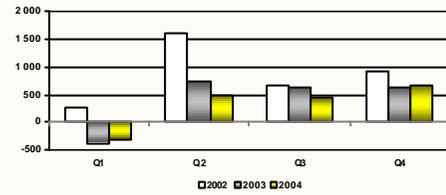
Business areas



Scandinavian Airlines

Scandinavian Airlines Quarterly EBITDAR development

EBITDAR, Scandinavian Airlines MSEK



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Scandinavian Airlines Businesses key airline profitability drivers

2004 vs 2003		
October-December		
Traffic (RPK)	up	2,0%
Cabin Factor	down	1,8 p. u.
Yields (currency adjusted)	up	1,2%
Operational unit costs	down	5,8%

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Scandinavian Airlines Operations - improving earnings

October - December	2004	2003 proforma	
Operating revenue	9 311	9 054	2,8%
Personnel expenses	-1 988	-2 220	-10,5%
Sales & distribution	-199	-183	8,7%
Fuel	-1 279	-844	51,5%
Government user fees	-1 052	-1 007	8,4%
Catering	-242	-270	-10,4%
Handling costs	-1 393	-1 309	6,4%
Technical aircraft maintenance	-1 084	-906	-19,6%
Data & telecommunication costs	-487	-539	-9,6%
Other costs	-868	-1 139	-23,8%
Operating expenses	-8 632	-8 417	2,6%
EBITDAR	679	637	
EBIT	59	-137	
EBT	-125	-297	

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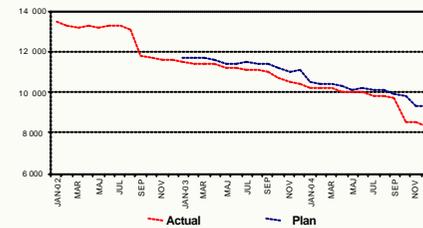


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Scandinavian Airlines aircraft utilization up 8,0% in 2004



Scandinavian Airlines Operations Development of number of employees

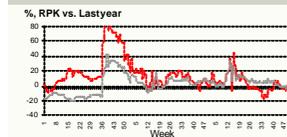


SAS Group | Scandinavian Airlines | Businesses | Subsidiary Airlines | Airline Support | Airline Related | Rezidor

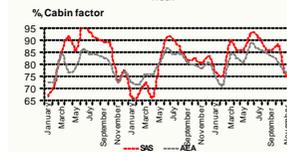


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Strong development on North Atlantic



- General improved load factors
- Higher load factor than AEA
- Oslo-New York ceased in March 2003



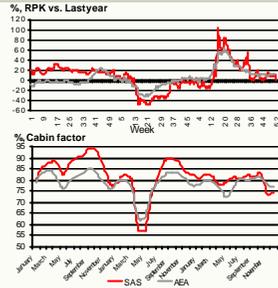
- Traffic in Jan-Dec 2004:
 - European airlines (AEA) traffic up 7,3%
 - SAS traffic up 1,9%

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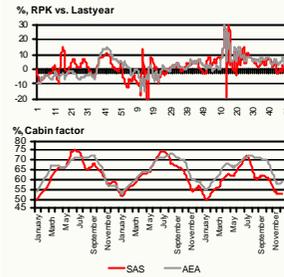
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Asian traffic improved but capacity in the market has increased significantly



- Positive mix but capacity to/from many of SAS destinations has increased more than the demand
- Demand on China routes weaker in November/December
- Reduced capacity on Bangkok/Singapore
- Shanghai 3/week from March
- Operate 6/week as from November
- Traffic in Jan-Dec 2004:
 - AEA traffic up 19,3%
 - SAS traffic down 14,9%

Increasing traffic on European routes



- Severe overcapacity on certain European routes
- Scandinavian Airlines cabin factor lower than AEA
- Capacity & Utilization plan in under implementation as from January 2005
- Traffic Jan-Dec 2004:
 - AEA traffic up 7,5%
 - SAS traffic up 5,7%

ECA – European cooperation agreement



- 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 first quarter 2004: MSEK 71
- Positive effect second quarter 2004: MSEK 45
- Negative effect third quarter 2004: MSEK 62
- Negative effect fourth quarter 2004: 46



Subsidiary & Affiliated Airlines



Income for Subsidiary & Affiliated Airlines improved



MSEK, January-December	2004	2003	Change
Revenues	11 838	11 101	6,6%
Operating expenses	-10 372	-9 637	7,0%
EBITDAR	1 466	1 404	+4,4%
Lease	-1 132	-1 140	-0,7%
EBITDA	334	264	26,5%
Depreciation	-410	-368	11,4%
Income from sales/affiliated	103	102	0,9%
EBIT	27	-2	n.m.
EBT	-83	-125	n.m.
EBT bef. gains	-136	-202	n.m.

Income for Subsidiary & Affiliated Airlines stable



MSEK, October-December	2004	2003	Change
Revenues	2 808	2 496	12,5%
Operating expenses	-2 496	-2 222	12,3%
EBITDAR	312	274	13,9%
Lease	-263	-274	-4,0%
EBITDA	49	0	n.m.
Depreciation	-114	-85	34,1%
Income from sales/affiliated	0	77	n.m.
EBIT	-65	-8	n.m.
EBT	-91	-12	n.m.

Improved results in Spanair and Widerøe



Jan-Dec in MSEK	Spanair		Widerøe		HPA	
Revenues	7 949	4,2%	2 502	1,0%	1 306	37%
EBITDAR	1 252	13,3%	349	1,7%	58	-27%
EBT	-41	n.m.	84	9,1%	-111	n.m.

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Airline Support Businesses



Result in Airline Support Businesses significantly improved

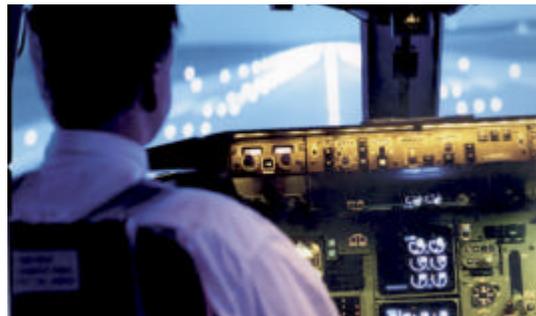


MSEK, January-December	2004	2003	Change
Revenues	14 213	13 850	2,6%
Operating expenses	-13 136	-13 242	-0,8%
EBITDA	1 077	608	77%
EBIT	587	157	n.m.
EBT	503	67	n.m.

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Airline Related Businesses



Statement of income Airline Related Businesses



MSEK, January-December	2004	2003	Change
Revenues	2 913	4 776	-39%
Operating expenses	-2 716	-4 448	-39%
EBITDA	197	328	-40%
EBIT	51	52	-1,9%
EBT	38	33	15,2%

Scandinavian IT Group sold in December 2003 and included in 2003 figures



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Flight Academy and Jetpak on track Weak result in SAS Trading



Jan-Dec in MSEK	SAS Trading		SAS Flight Academy		JETPAK	
Revenues	1 634	5,9%	515	3,8%	459	2,4%
EBITDA	-34	n.m.	133	16,7%	38	15,2%
EBT	-57	n.m.	46	187%	18	-18,2%

Group | Scandinavian Airlines Operations | Subsidiary & Affiliated Airlines | Airline Support | Airline Related Business | Hotels



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Avinor has discontinued negotiations with SAS Trading tax free operations in Norway



- SAS Trading's current agreement expired in December 2004
 - New agreement valid for seven years starting in 2005
 - The agreement is expected to have a turnover of SEK 1 billion
- Agreements stood for app. 2/3 of SAS Trading's total revenue
- SAS Trading has in total 32 duty free shops in Scandinavia, Poland and the Baltic states.

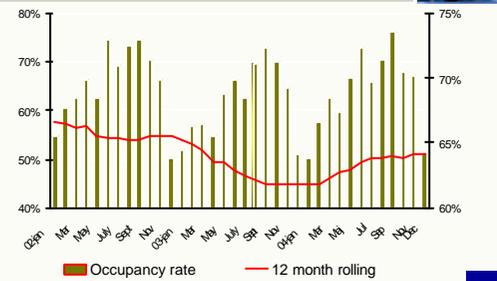


Hotels – very strong fourth quarter

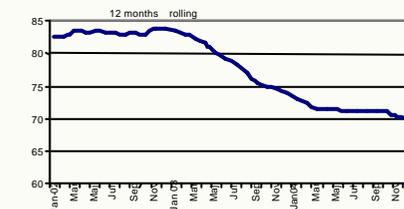


MSEK	October-December		January-December	
	2004	2003	2004	2003
Revenues	1 315	952	4 552	3 558
Operating expenses	-1 203	-993	-4 415	-3 683
EBITDA	112	-41	137	-125
Adjusted EBITDA	118	-31	165	-106
EBIT	131	-68	53	-240
EBT	134	-62	38	-253
EBT bef. gains	98	-46	1	-245

Occupancy rate improving



Cost per available room



Unit cost calculated as Costs/number of rooms

REVPAR increasing



Financial update

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Balance Sheet

MSEK	31 Dec 04	31 Dec 03
Liquid funds	8 595	9 066
Aircraft, spare parts	20 013	25 561
Other assets	29 004	26 648
Total assets	57 612	61 275
Operating liabilities	15 955	15 890
Interest-bearing liabilities	27 280	28 866
Deferred tax	3 193	3 273
Minority interests	25	112
Equity	11 159	13 134
Total liabilities and equity	57 612	61 275
Financial net debt	17 377	18 122

Group | Scandinavian Airlines Operations | Subsidiary & Affiliated Airlines | AirlineSupport | Airline Related Business | Hotels

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SAS Group's limited aircraft Capex

Firm Aircraft Orders

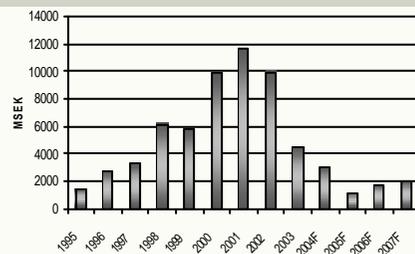
	Total	2005	2006	2007
Airbus A321	4		2	2
Boeing 737	2			2
Number of aircraft	6	0	2	4
CAPEX (MUSD)	233	9	93	131

Group | Scandinavian Airlines Operations | Subsidiary & Affiliated Airlines | AirlineSupport | Airline Related Business | Hotels

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SAS Group's Capex Holiday continues



Group | Scandinavian Airlines Operations | Subsidiary & Affiliated Airlines | AirlineSupport | Airline Related Business | Hotels

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Clear Targets to Reduce Indebtedness - Long-term targets to be realised

Key figures	Dec 04	Dec03	Target
Equity/assets ratio (solidity)	19%	22%	>30%
Financial net debt/ equity	155%	137%	<50%
Fin. net debt+7* Oplease/ equity	324%	292%	<100%

Targets will be reached by:

- Turnaround measures
- Capital Release:
 - Aircraft – Surplus and phase-outs
 - Other Assets (Properties, non-core subsidiaries etc)

Group | Scandinavian Airlines Operations | Subsidiary & Affiliated Airlines | AirlineSupport | Airline Related Business | Hotels

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SAS Group's strong liquid position and significant committed facilities

	MSEK
Liquid Funds December 31, 2004	8 595
Available Credit Facilities:	
Revolving Credit Facility (MEUR 400)	900
Bi-lateral Facilities	2 000
Others	460
Total Available Facilities	3 360
Total Available Funds	11 955

Available facilities MSEK 3 360
 Utilized facilities MSEK 3 280
 Total facilities MSEK 6 640

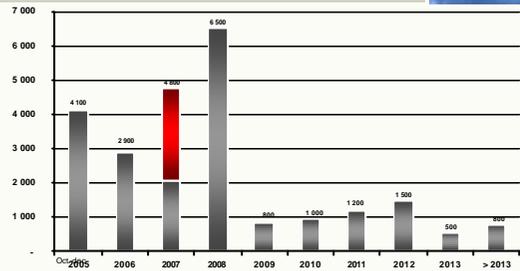
Program to release capital continues

Group | Scandinavian Airlines Operations | Subsidiary & Affiliated Airlines | AirlineSupport | Airline Related Business | Hotels

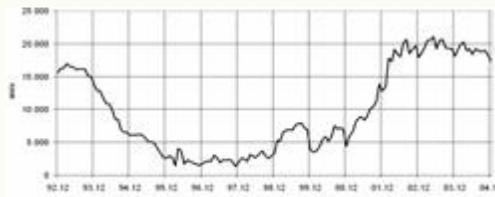
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Amortization profile of interest bearing liabilities



Development of financial net debt 1993-2004



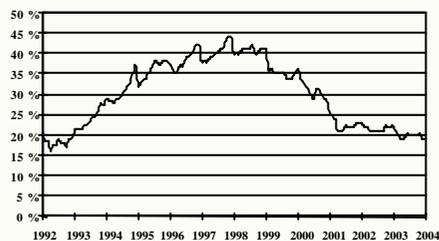
SAS Group - Development and break down of Financial Net Debt 2004

(MSEK)	041231	031231	Difference
Cash	8 595	9 066	-471
Other interest bearing assets	1 308	1 678	-370
Interest bearing liabilities	-27 280	-28 866	1 586
Financial Net debt	-17 377	-18 122	745

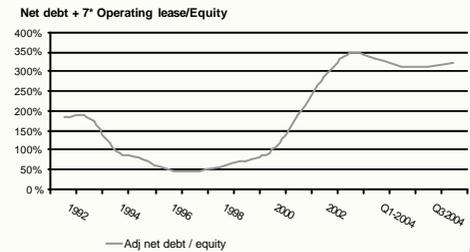
Financial Net Debt / Equity Ratio 1992-2004



SAS Group Equity / Assets Ratio 1992-2004



Adjusted Net Debt / Equity 1992-2004

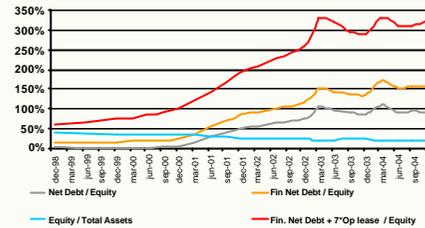


SAS Group Financial Net January – December 2004



(MSEK)	04-12-31	03-12-31	Difference
Interest net and others	-989	-906	-83
Exchange rate differences	-53	+318	-371
Financial net	-1 042	-588	-454
Average financial net debt	18.600	19.100	500
In % p.a. of average financial net debt:			
Interest net	-5,3%	-4,7%	-0,6%
Exchange rate differences	-0,3%	+1,6%	-1,9%
Financial net	-5,6%	-3,1%	-2,5%

Gearing ratios



Cash flow statement Q4



MSEK	October–December	
	2004	2003
Cash flow from operations	249	-389
Change in working capital	-14	111
Net financing from operations	235	-278
Investments, advance payments	-762	-1 509
Acquisition/sale of subsidiaries (net)	0	884
Sales of fixed assets, etc.	1 814	1 802
Financing deficit/surplus	1 287	899
Changes in external financing, net	-295	675
Changes in liquid assets acc. to balance sheet	988	1 583

Improved cash flow but no positive change in liquid assets as surplus is amortized



December	January –	
MSEK	2004	2003
Cash flow from operations	591	-278
Change in working capital	-2 127	-889
Net financing from operations	-1 536	-1 167
Investments, advance payments	-3 155	-4 454
Acquisition/sale of subsidiaries (net)	-614	850
Sales of fixed assets, etc.	6 853	4 651
Financing deficit/surplus	1 548	-120
Changes in external financing, net	-2 016	-1 480
Changes in liquid assets acc. to balance sheet	-471	-1 655

Sum Up – Credit Data



- 🔴 Strong liquidity of MSEK 8 595
- 🔴 Substantial Committed credit facilities of MSEK 3 360
- 🔴 Limited CAPEX going forward
- 🔴 Young aircraft fleet
- 🔴 Additional sources of capital
- 🔴 Turnaround 2005 program with union agreements secured

APPENDICES

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

Yield stabilized but load factors weak on European flights and Swedish domestic



- Traffic improves, but less than expected
- Group traffic up 4,5% in Q4
- Group passenger load factor down by 1,1 p.u.

	Passenger-traffic (RPK)	Seat capacity (ASK)	Cabin-factor
Q4	4,5%	6,5%	60,4%
SAS Group Total			
Intercontinental	2,6%	8,0%	
Europe	9,0%	10,4%	
Domestic and Intrasandinavian	0,6%	-1,5%	

Capacity (ASK) outlook 2005 vs. 2004



Scandinavian Airlines	-5%
Spanair	13%
Widerøe	-2%
Blue1	2%
airBaltic	84%
Total SAS Group	2%*

*) Adjusted for airBaltic, capacity increase would be 0%

Yield development 2004 vs 2003



Scandinavian Airlines Businesses Total Scheduled

Oct-Dec	2004	2003	Change
Yield (öre/RPK)	122,0	122,0	0,0%
Currency adj. yield	122,0	120,6	1,2%
Jan-Dec	2004	2003	Change
Yield (öre/RPK)	110,2	124,8	-11,7%
Currency adj. yield	110,2	121,4	-9,1%

Yield development 2004 vs 2003



Yield, local currency	October-December	January -December
	-7,0%	-7,6%
	-2,0%	-6,9%
	-12,7%	-22,0%

Unit Cost January-December 2004 vs 2003



Cost analysis	2003	2004	Var%	Share of total var %
Personnel	-10 118	-8 106	-19,9%	-5,4%
Fuel	-3 514	-4 508	28,3%	2,7%
Gov. Charges	-4 410	-4 383	-0,6%	-0,1%
Selling cost	-1 039	-882	-15,1%	-0,4%
Ground Services	-5 606	-5 519	-1,5%	-0,2%
Technical	-4 764	-4 170	-12,5%	-1,6%
Other operating costs	-5 035	-3 284	-34,8%	-4,7%
Total operating expenses	-31 485	-30 852	-10,5%	-9,8%
Aircraft costs	-2 505	-2 071	-17,3%	-1,2%
Adjusted EBIT	-36 990	-32 923	-11,0%	-11,0%

Volume = average increase in ASK: +5,3%

Unit Cost October-December 2004 vs 2003



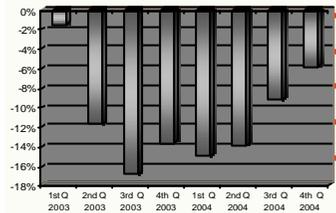
Cost analysis	Q4 2003	Q4 2004	Var%	Share of total var %
Personnel	-2 541	-1 988	-21,7%	-6,2%
Fuel	-884	-1 279	44,6%	4,4%
Gov. Charges	-1 097	-1 092	-0,4%	-0,1%
Selling cost	-200	-199	-0,6%	0,0%
Ground Services	-1 452	-1 393	-4,1%	-0,7%
Technical	-933	-1 084	16,1%	1,7%
Other operating costs	-1 245	-884	-29,0%	-4,0%
Total operating expenses	-8 353	-7 919	-5,2%	-4,8%
Aircraft costs	-614	-533	-13,7%	-0,9%
Adjusted EBIT	-8 966	-8 449	-5,8%	-5,8%

Volume = average increase in ASK: +4,9%

Unit cost continues to improve although record high jet fuel costs



Total unit cost, Scandinavian Airlines Operations

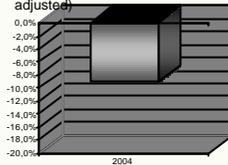


- Unit cost down 10,9% in 2003
- Unit cost down 15,0% in Q1 2004
- Unit cost down 13,9% in Q2 2004
- Unit cost down 9,2% in Q3 2004
- Unit cost down 5,8% in Q4 2004
- Adjusted for fuel unit cost was down by 10,2%

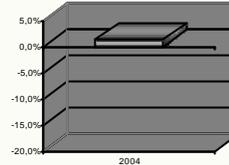
Yield Development, Scandinavian Airlines Businesses



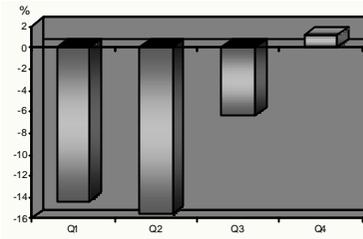
January-December (currency adjusted)



October-December (currency adjusted)



Yield development – Scandinavian Airlines Businesses



- Yields down 9,1% in 2004
- Reduction reduced because of jet fuel surcharge, fewer price campaigns and more active yield management
- Class mix still negative

Passenger Yield

4th Quarter 2004 vs 2003



Route Sector	Nominal yield	Currency effect	Adjusted yield
Scandinavian Airlines Busin.	100	101	101
Intercontinental	105	104	109
Europe	93	101	94
Intrascandinavian	98	101	99
Denmark	115	101	116
Norway	100	100	100
Sweden	98	100	98

Passenger Yield

January-December



Route Sector	Nominal yield	Currency effect	Adjusted yield
Scandinavian Airlines Busin.	88	103	91
Intercontinental	99	104	103
Europe	86	102	88
Intrascandinavian	80	103	82
Denmark	98	101	99
Norway	88	106	93
Sweden	89	100	89

Key airline profitability drivers

2004 vs 2003



January-December

Traffic growth (RPK)	up	6,1%
Cabin Factor	up	0,4 p.u.
Yields	down	9,1%
Unit costs _{net A/C cost}	down	11,0%

October-December

Traffic growth (RPK)	up	2,0%
Cabin Factor	down	1,8 p.u.
Yields	up	1,2%
Unit costs _{net A/C cost}	down	5,8%

Revenue pressure partly offset by larger volumes



January-December 2004

- 🔥 Revenues 29 480 MSEK -6,4%
- Volume +6,0%
- Yields -9,3%
- Currency -3,0%

Revenue analysis third Quarter – Scandinavian Airlines Businesses



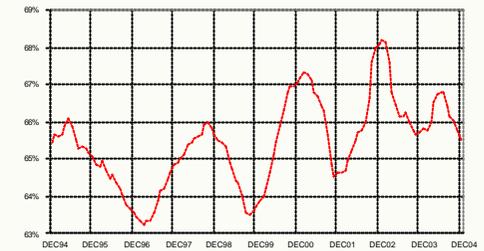
October-December 2004

- 🔥 Revenues 7 581 MSEK +1,9%
- Volume +1,9%
- Yields +1,2%
- Currency -1,1%

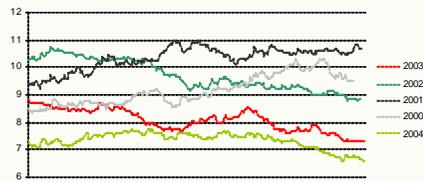
Passenger load factor 1995-2004



Moving 12 months values



Weaker USD offset by increased yield pressure



- 🔥 Positive effect on operation costs in January-December by MSEK 852
- 🔥 WeakUSD => increased yield pressure

Currency Effects – SAS Group January-December 2004 vs 2003



MSEK	Jan-Dec
Total revenues	-1 378
Total costs	+2 016
Forward cover costs & working cap.	-111
Income before depr.	+527
Financial items	-371
Income before tax	+156

Currency Effects – SAS Group October-December 2004 vs 2003



MSEK	Oct-Dec
Total revenues	-74
Total costs	+217
Forward cover costs & working cap.	+74
Income before depr.	+217
Financial items	-20
Income before tax	+197

Currency Effects – SAS Group January-December 2004 vs 2003



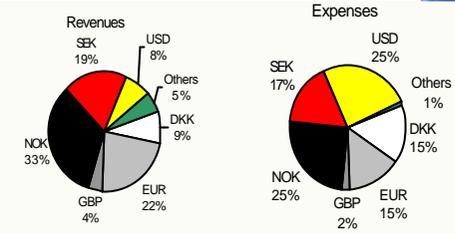
Total revenues & costs: (Total + 638 MSEK)		Working capital: (Total +104 MSEK)	
Major approx. effects:			
USD	+852	2003	+17
DKK	+5	2004	+121
NOK	-155	Financial items:	
EUR	+3	(Total - 371 MSEK)	
Asian curr.	-65	2003	+318
All others	-2	2004	-53
Forward cover costs: (Total -215 MSEK)		Grand total +156 MSEK	
2003	+113		
2004	-102		

Currency Effects – SAS Group October-December 2004 vs 2003



Total revenues & costs: (Total + 143 MSEK)		Working capital: (Total +105 MSEK)	
Major approx. effects:			
USD	+162	2003	+16
DKK	-3	2004	+121
NOK	+1	Financial items:	
EUR	+7	(Total -20 MSEK)	
Asian curr.	-20	2003	0
All others	-4	2004	-20
Forward cover costs: (Total -31 MSEK)		Grand total +197 MSEK	
2003	-60		
2004	-91		

Currency distribution in the SAS Group 2003



SAS Group fleet as of Dec 31, 2004



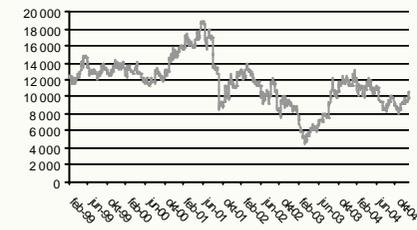
	Owned	Leased In	Total	Leased Out	On Order
Airbus A340/A330	5	6	11		
Airbus A321/320	8	19	27		4
Boeing 767-300	3	3	3	3	
Boeing 737-serien	28	52	80	5	2
Boeing 717	4	4	4		
Douglas MD-80-serien	28	60	88	3	
Douglas MD-90-serien	8		8		
Airco RJ-35/100		9	9		
Fokker F50	7	1	8	2	
deHavilland Q-serien	17	37	54	0	
SAAB 2000		5	5		
Total	101	196	297	13	6

Company	Owned	Leased In	Total	Leased Out	On Order
Scandinavian Airlines Cope	86	115	200	13	6
Spanair		53	53		
Widerøe	16	14	30		
Blue1		14	14		
Total	101	196	297	13	6

SAS share



Development of Market capitalization



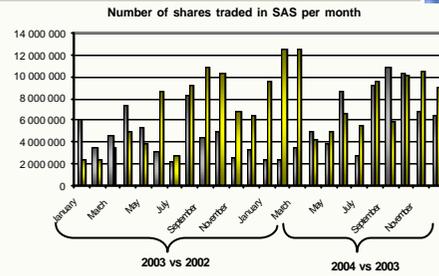
SAS share price vs. peers 2004



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



Number of traded SAS shares has increased



Increased number of traded SAS shares at Stockholm Stock Exchange

