



SAS Group

3rd Quarter 2000

Press Conference



Oslo, November 9, 2000



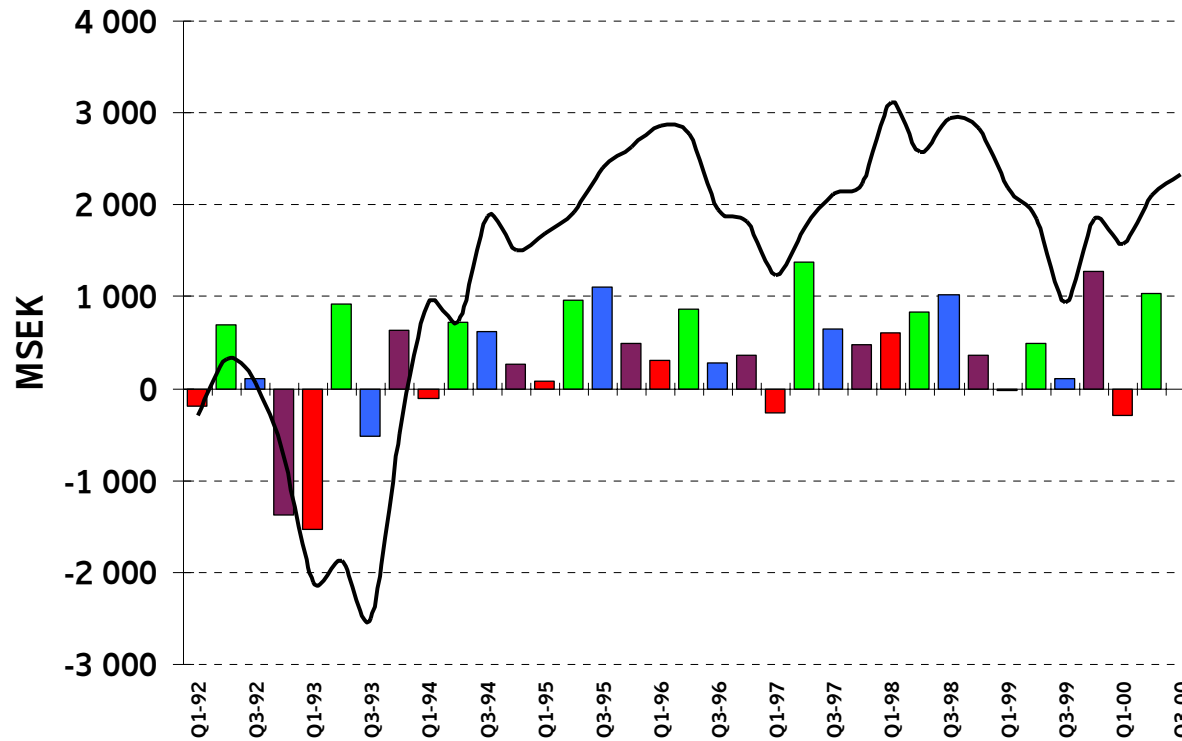
Highlights 3rd Quarter

- ▶ Significant traffic growth in both classes
- ▶ Rising yields
- ▶ Passenger load factors sharply up
- ▶ Unit costs favorable except Jet Fuel
- ▶ SAS International Hotels develops well
- ▶ Nordic Travel Hub launched
- ▶ One SAS share in progress

Other events of note 3rd Quarter to date

- ▶ SIH in cooperation with Malmaison
- ▶ SIH sold Düsseldorf hotel
- ▶ Aeroexchange Business to Business site launched
- ▶ Star-NET launched
- ▶ SAS expands winter traffic program

SAS Group Income before taxes



Bars = quarterly Line = moving 4 quarters

Financial results - 3rd Quarter 2000

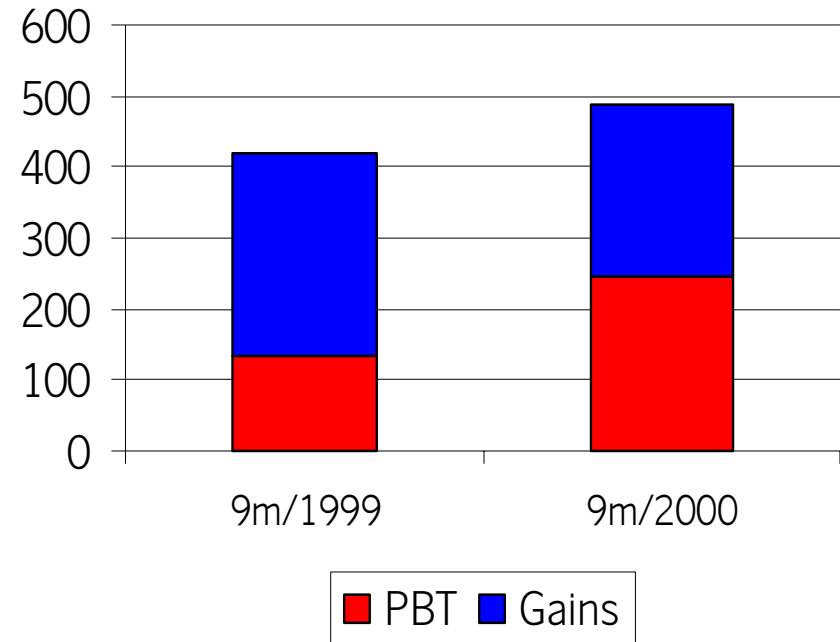
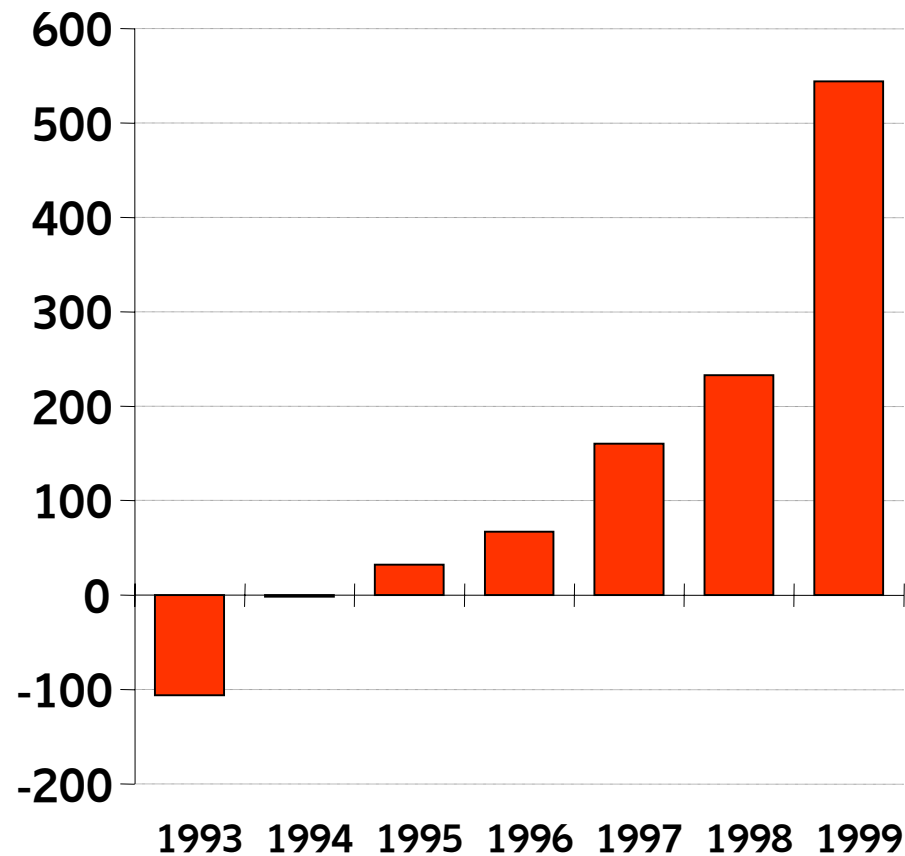
MSEK	2000	1999	Change
Revenue	11 263	10 019	+12%
Op. inc. bef. depr.	1 017	530	+92%
Financial net	-190	-96	
Gain on sales	-9	177	
Pre-tax profit	328	105	+212%

Financial results - 9 months 2000

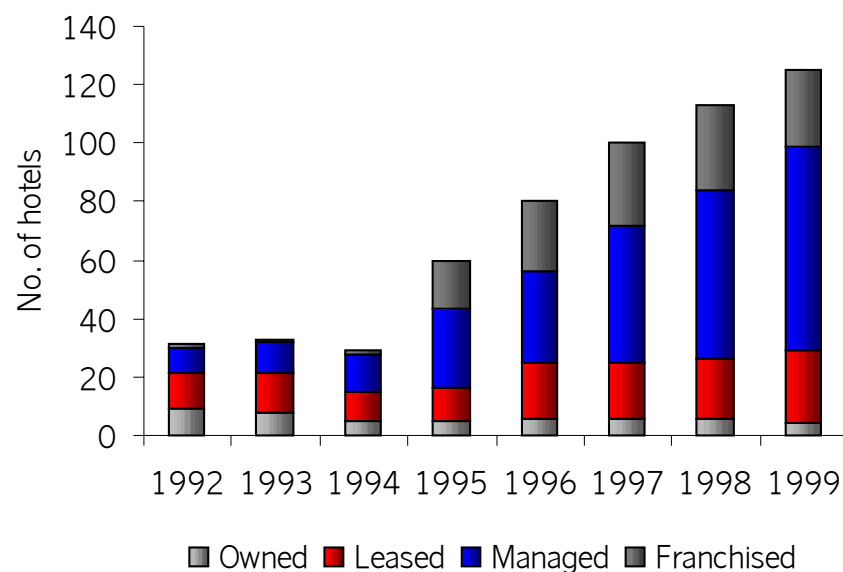
MSEK	2000	1999	Change
Revenue	33 367	30 984	+8%
Op. inc. bef. depr.	2 256	1 523	+48%
Financial net	-195	-167	
Gain on sales	+280	+610	
Pre-tax profit	1 060	601	+76%

Strong profit trend in SIH

Income before taxes (MSEK)



Radisson SAS Hotels & Resorts - one additional hotel sold 3rd Quarter



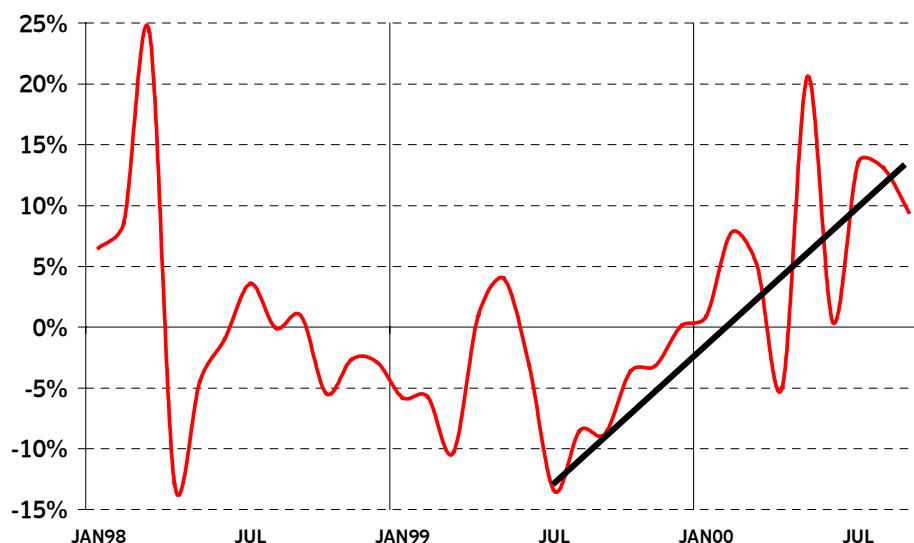
- ▶ SIH acquires Malmaison hotel chain
- ▶ 2 new hotels added
- ▶ 134 hotels in total
 - Managed: 75
 - Leased: 28
 - Owned: 2
 - Franchised: 29

Sharp increase in passenger load factors - growth trend in Business Class

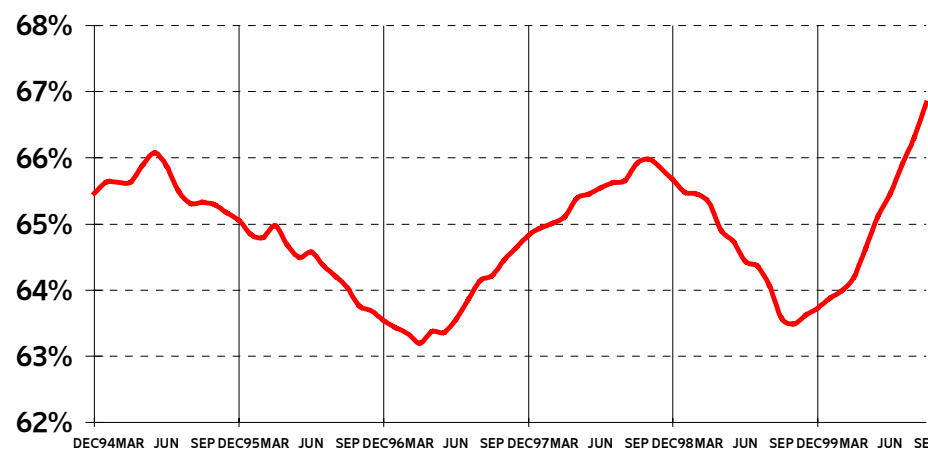
**RPK Business Class
1998-2000**

**Passenger load factor
total system 1995-2000**

Year on Year values

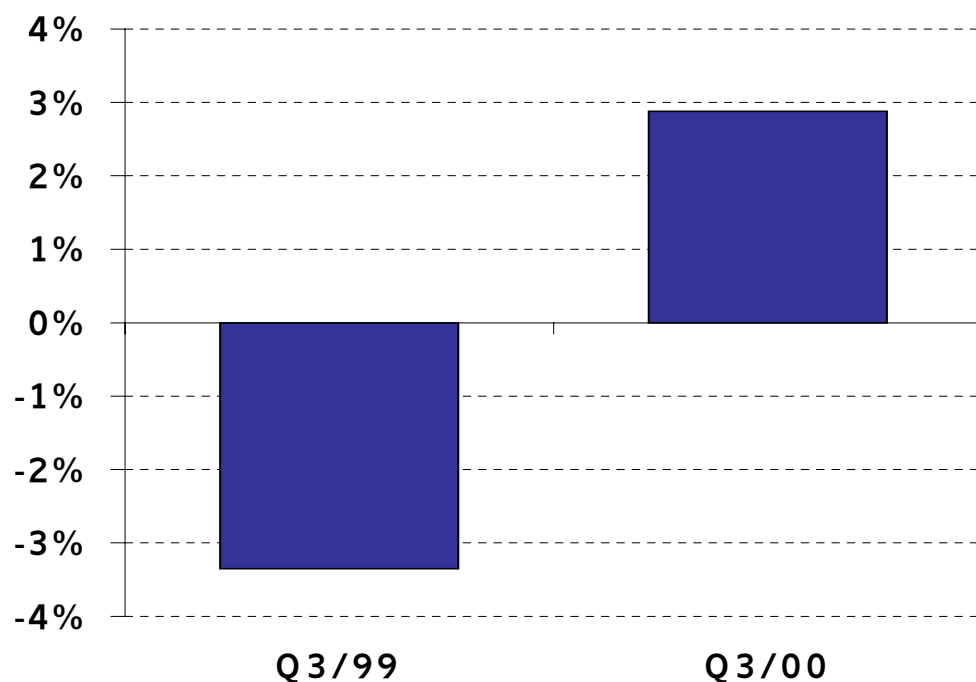


Moving 12 months values



Yields significantly up in 3rd Quarter

Total system - currency adjusted



- ▶ Rising Jet Fuel starting to spill through
- ▶ Overall yields up 2,9% in Q3 , 0,9% YTD
- ▶ Positive mix in Q3

Cargo business - yield drop has stopped

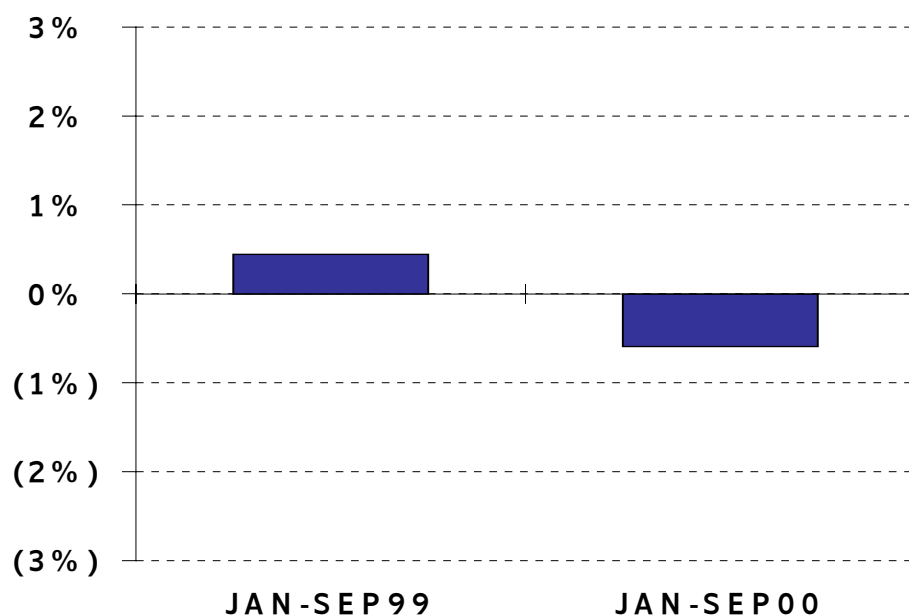
- ▶ New Global Cargo has been initiated
- ▶ Weak European demand

January-September 2000

- ▶ Revenue ton-km up 6%
- ▶ Revenues up 6%

Favorable unit cost development except jet fuel

Index Last Year



- ▶ Increase of 0,6% January-September 2000
- ▶ Down 3,2% adjusted for fuel costs

Impact from rising Jet Fuel

- ▶ Jet Fuel cost up MSEK 1 091(+68%)
Jan- Sep 00 vs 1999
- ▶ Full year 2000 Jet fuel cost estimate
changed from MSEK 3500 (in August 00)
to MSEK 3700

SAS expands winter traffic program

- ▶ Capacity up 9% on European & Intrasandinavian routes
- ▶ Birmingham, U.K.
 - ▶ Active business and industrial area
 - ▶ Copenhagen efficient for Eastbound flights
- ▶ Week-end Palma de Mallorca, Spain
 - ▶ Spare capacity
- ▶ Increased capacity on Dublin, Zurich, Paris, Tel Aviv, Budapest, Hamburg and St. Petersburg
- ▶ Capital triangle

Unit Cost Effectuated by Fuel

January - September 2000 vs 1999

MSEK	Adjusted JAN-SEP99	JAN-SEP00	Var. %	Share of total var %
Commissions	1 602	1 593	0.6%	0.0%
Fuel	1 778	2 624	(47.5%)	(3.8%)
Government charges	2 664	2 550	4.3%	0.5%
Personnel	9 759	9 656	1.1%	0.5%
Other oper. net costs	6 683	6 196	7.3%	2.2%
TOTAL	22 486	22 619	(0.6%)	(0.6%)

Volume = average growth in ASK and RPK = 4,3%

Result Improvement Program 1999/00

- ▶ MSEK 2150 achieved as of 3rd quarter 2000
- ▶ Increased pace during rest of year 2000

Area	Achived effect vs. 1998
Cargo	90 MSEK
Catering & In-flight service	300 MSEK
IT & communications	130 MSEK
Distribution & Electronic channels	610 MSEK
Air crew	380 MSEK
Ground handling	210 MSEK
Technical maintenance	200 MSEK
Overhead & other	230 MSEK
Total	2150 MSEK

Electronic Channels - current volumes of total sales first 9 months 2000

SAS



- ▶ Travel Pass
- ▶ TPC (new in 1999)
- ▶ E-TIX
- ▶ Other Internet
- ▶ Total volume E-channels MSEK 2 200
- ▶ 10% of total passenger sales

SAS is breaking new grounds A new Nordic online marketplace for travel



October traffic figures- slightly lower growth

- ▶ Continued positive passenger mix
- ▶ Business Class +8,2% - Economy Class +4,0%

The Board of Directors

Assessment for full year 2000:

- ▶ Full year forecast from February 17 maintained
- ▶ Reduced unit cost except jet fuel
- ▶ Jet fuel expense estimated at MSEK 3700 for 2000 as a whole
- ▶ Income before taxes ex gains - around MSEK 1000

Improved punctuality

Flights delayed less than 15 min (axis shows internal standard)

