Media/analyst presentation August 17, 2011

SAS Group
1st Half Year 2011

Q2 SAS best quarter since 2008

- Maintained positive GDP development in Scandinavia
- 1.1 million more passengers (+18%)
  - ➡ Record high load factor this summer
- Very competitive market, but stabilizing yield
  - ➡ Currency adjusted revenues up 20% in Q2
- Core SAS delivered
  - ➡ Unit cost down 23% since 2008
  - ➡ Unit cost down 5.1% in Q2
- Europe's most punctual airline
- Best customer satisfaction in 11 years
- Order placed of 30 Airbus A320neo

EBT before non recurring items MSEK 365 (-236)

Significantly improved result
- Driven by cost reductions and growth

Result (MSEK)	Apr-Jun 2011	Apr-Jun 2010	Jan-Jun 2011	Jan-Jun 2010
Revenues	11,229	9,979	20,446	19,474
EBT bef. non-recurring items	365	-236	-140	-1,080
EBT	729	-600	175	-1,572

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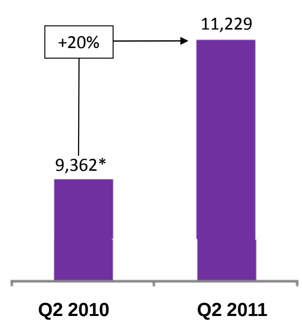
Q2 revenues are growing
- Up 20% currency adjusted

- 20% revenue growth
- 7.5% underlying revenue growth
  - Strong passenger growth 18%
  - SAS strong commercial offering
  - Strong demand in leisure markets
  - Improved yield driven by fuel surcharges
  - Maintained position in corporate market
  - Norway market position improving

Revenues (MSEK)



*Currency adjusted from MSEK 9,979

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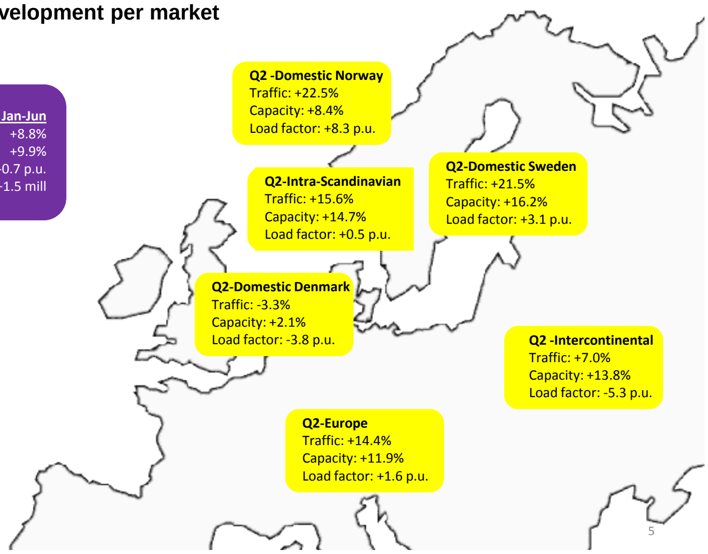
Strong passenger growth

- Market capacity expected to grow by approx 10% in 2011

SAS Group Traffic Development per market

SAS Group All markets	Q2	Jan-Jun
Traffic:	+13.3%	+8.8%
Capacity:	+12.3%	+9.9%
Load factor:	+0.7 p.u.	-0.7 p.u.
Passenger growth	+1.1 mill	+1.5 mill



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Due to improved cost position, SAS is able to deliver profitable growth

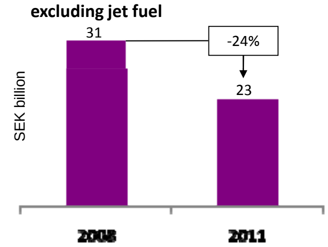
- New routes opened
  - More frequencies during spring 2011
  - Stockholm - Milan / Venice / Bologna / Gdansk
  - Oslo - Moscow / Madrid
- New long haul routes
  - Oslo - New York, March 2011
  - Copenhagen - Shanghai, March 2012
- Leisure markets developing particularly well
  - A new ”BIG” campaign launched today!

Core SAS completed

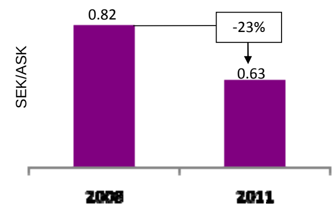
- New platform created

- Unit cost reduced by 23% since 2008
  ➡ SEK 1.0 bn remaining result effect
- Non core assets divested
- One Scandinavian company established
- Balance sheet recapitalized

Scandinavian Airlines operating expenditure, excluding jet fuel



Scandinavian Airlines unit cost, excluding jet fuel



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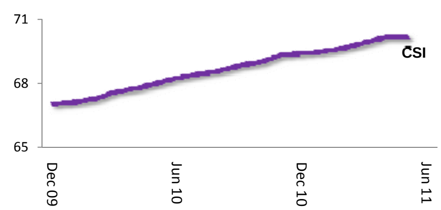
Best customer satisfaction in 11 years

- Europe’s most punctual airline in 2009, 2010 and June-July 2011
- SAS and Singapore Airlines join forces to further colaboration
- SAS received IATA ”Fast Travel Award” for the first airline to introduce a complete chain of airport self service products
- SAS and Aegan Airlines enters into code-share agreement
- Further improved customer satisfaction - CSI at 71

Scandinavian Airlines Customer Satisfaction index 12 months rolling



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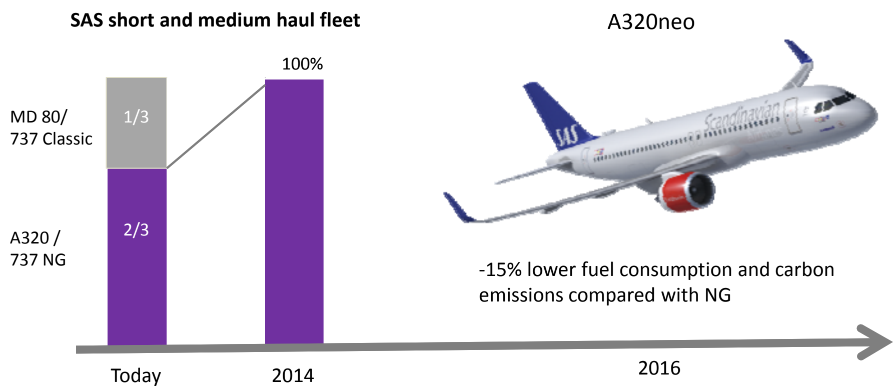
Purchasing order of 30 Airbus A320neo

-a logical step in the renewal and streamlining of our fleet



Göran Jansson
CFO SAS Group

Best Q2 since 2008

(MSEK)	Apr-Jun 2011	Apr-Jun 2010	
Total operating revenue	11,229	9,979	+12.5%
Payroll expenses	– 3,244	– 3,473	
Fuel	– 2,004	– 1,627	
Government charges	– 1,037	– 1,029	
Other operating expenses	– 2,534	– 3,291	
Total operating expenses	**– 8,819**	**– 9,420**	
Leasing costs, aircraft	– 373	– 487	
Depreciation	– 1,148	– 426	
Other	-160	-246	
EBT (including non-recurring)	*729*	*–600*	+1,329
Non-recurring items	-364	+364	
EBT (before non-recurring items)	*365*	*–236*	+601

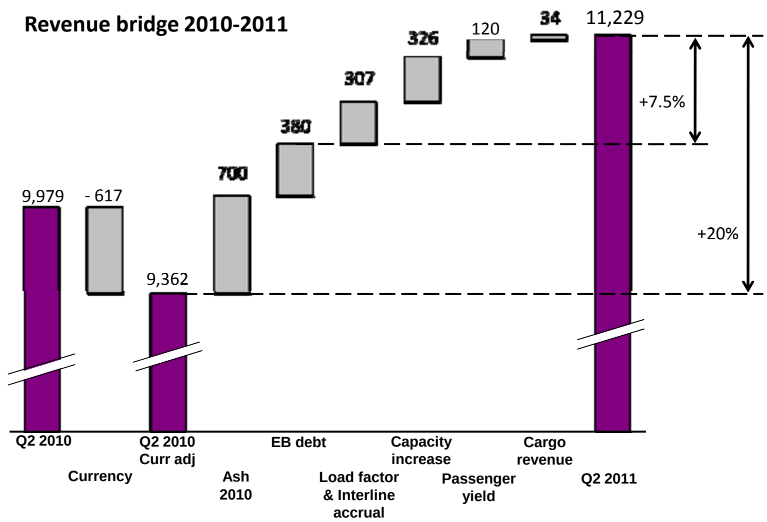
Positive traffic development

SAS Group	Q2 2010	Q3 2010	Q4 2010	Q1 2011	Q2 2011
Traffic (RPK)	-6.3%	+5.4%	+10.9%	+3.4%	+13.3%
Passenger load factor	+1.8 p.u.	+2.2 p.u.	+2.3 p.u.	-2.5 p.u.	+0.7 p.u.
Scandinavian Airlines					
Passenger yield	-6.6%	-4.3%	-6.7%	-1.3%	+0.6%*
Total unit revenue (RASK)	-5.6%	+0.4%	+0.9%	-2.4%	+6.6%*
Total unit cost (excluding fuel)	-2.0%	-8.7%	-8.3%	-7.1%	-5.1%**

* Underlying yield, excluding positive effects from revaluation of EuroBonus liability.
** Excluding write down of aircraft

Q2 revenues are growing
- Up 20% currency adjusted

SAS
SAS Group



One off effects in Q2

SAS
SAS Group

EuroBonus liability revaluation

- EuroBonus liability reduction of MSEK 380
  - Change in redemption pattern and members perception
  - IFRIC 13

Currency hedge gains

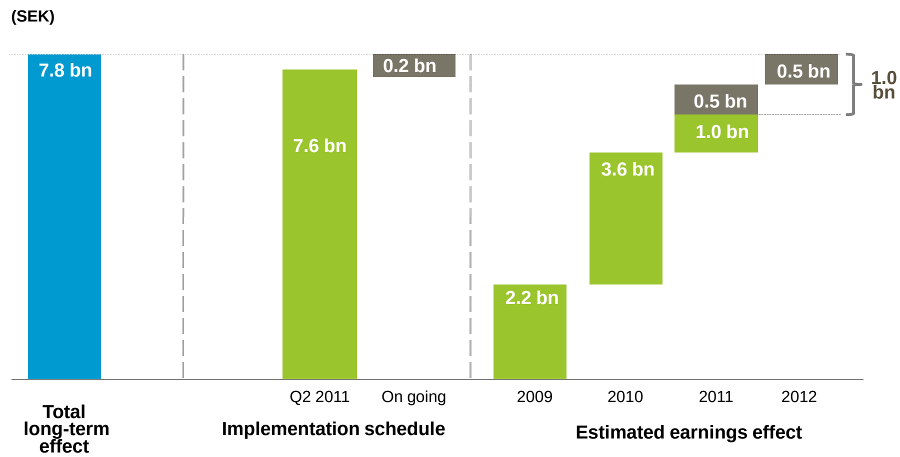
- Fair value hedging gains of MSEK 729
- Derivative contracts in USD
- Due to fleet renewal decision

Aircraft value adjustments

- Due to fleet renewal decision
- Write down of MD-aircraft of MSEK 330
- Write down of Airbus A340 of MSEK 395
  - Remaining aircraft book value in line with market value

MSEK 725

Core SAS cost program completed
- SEK 1.0 bn earnings effect remaining



97% of targeted cost saving measures implemented

Core SAS

- Additional MSEK 200 implemented in the 2nd Quarter, to total SEK 7.6 bn or 97%
- 91% of the planned reduction of 4,600 FTE implemented
- Earnings effect of SEK 0.4 bn during the 2nd Quarter. Remaining effects of SEK ~1.0bn in 2011-2012
- Unit cost, down 5.1%[1] in the 2nd Quarter (excluding jet fuel).

Core SAS cost savings program (MSEK)	Potential 2009-2012	Implemented Mar 2011	Implemented Jun 2011
Cabin crew/Flight deck	~1,900	~1,900	~1,900
Ground services	~900	~700	~800
SAS Tech	~1,800	~1,700	~1,750
Sales, marketing & Commercial	~700	~700	~700
Purchasing	~400	~400	~400
Blue1, Widerøe, Cargo	~600	~550	~600
Administration	~1,400	~1,350	~1,350
Other	~100	~100	~100
Total	~7,800	~7,400	~7,600

[1] *For Scandinavian Airlines compared with the same period in 2010, adjusted for currency.*

Capital structure strengthened

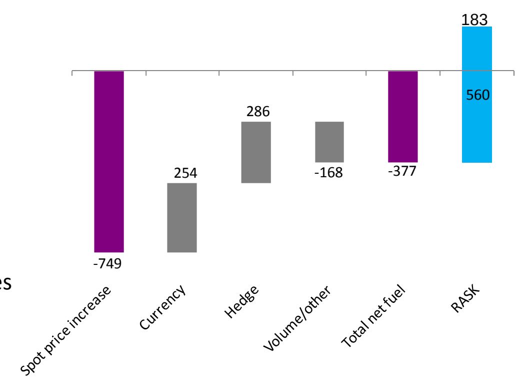
Good financial preparedness with SEK 2 billion bond issue

Core SAS impact on key figures	Jun 30, 2011	Jun 30, 2010
Cash flow from operating activities, Q2	731	503
Liquid assets, MSEK	5,648	7,151
Financial preparedness, MSEK	11,069	12,742
Equity, MSEK	14,445	14,632
Financial net debt, MSEK	3,395	2,642
Financial preparedness	27%	31%
Adjusted equity/assets ratio	28%	26%
Adjusted debt/equity ratio	0.89	0.90

Fuel surcharges (RASK) offset 2/3 of fuel spot increase

- SAS three part approach to compensate for higher jet fuel prices
  - Hedging
  - Jet fuel surcharges
  - Yield management
- SAS jet fuel surcharges on paar with European competitors
  - Increased impact of fuel surcharges on yields

Jet fuel cost analysis, SAS Group, MSEK



2011 Outlook – Positive result
– still valid

- A growing aviation market
- Increased uncertainties regarding global economy
- Good development of yield/load
  - ➡ Record load factors
- Jet fuel prices still at high levels
- Competition increasing – capacity being added
  - ➡ SAS Capacity growth 2011, 6%
- Cost reductions continues after Core SAS

Still targeting profitability in 2011, subject to no unforeseen events

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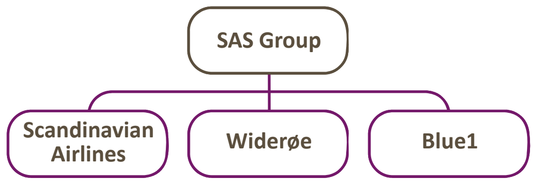
Thank you!

The SAS Group's business structure

(reporting segments as from Q1 2011)



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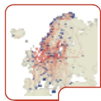
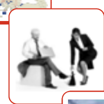
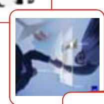
Differenced product range
- further strengthen SAS position in Scandinavia



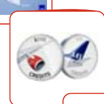
- Most extensive network



- Strong and innovative product concepts



- Multiple distribution channels, most visited airline website in Scandinavia



- SAS Credits

- SAS EuroBonus

- Corporate programs

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SAS Group fleet – June 2011

Aircraft Type	Owned	Leased	Wet leased	TOTAL	Leased out	Age	On order
Airbus A330/340	5	6		11	1	9.1	
Airbus A319/320/321	4	10		14	2	8.0	30
Boeing 737 Classic	1	11		12		18.4	
Boeing 737 NG	22	45		67		10.2	
Boeing 717		9		9		10.8	
MD-82/87	27	14		41	8	21.3	
MD–90	8			8	8	14.4	
Avro RJ85		5		5		9.6	
Fokker 50		3		3		21.2	
deHavilland Q-series	31	10		41		13.8	
SAAB 2000			2	2		14.3	
Bombardier CRJ200			4	4		13.4	
Bombardier CRJ900 NG	12			12		2.1	
ATR			3	3		1.4	
Total aircraft	110	113	9	232	19	12.9	30

In operation	Total in traffic	Age
Scandinavian Airlines	157	12.1
Widerøe	37	14.0
Blue1	19	9.3
Leased out	19	16.6

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Create capacity for profitable growth

Streamlining of fleet in process

Harmonised production platform in Oslo and Stockholm

Phasing out (2008-2014)

Number of aircraft

Year 2018*

Number of aircraft

Boeing 737NG	67	Boeing 737NG	101
737 Classic	10		
MD-80	9		

Harmonised production platform in Copenhagen

Phasing out (2012-2015)

MD-80	17	A320neo	37
Airbus A320	12		

Harmonised production platform in Helsinki (Blue 1)

Phasing out (2010-2012)

Avro	5	Boeing 717	14
MD-90	2		

(Phasing in of Boeing 717 under way)

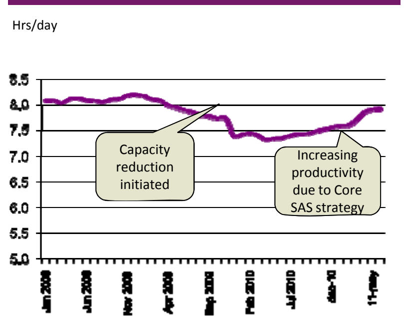
*Assumed growth rate 6% per year

Productivity is improving

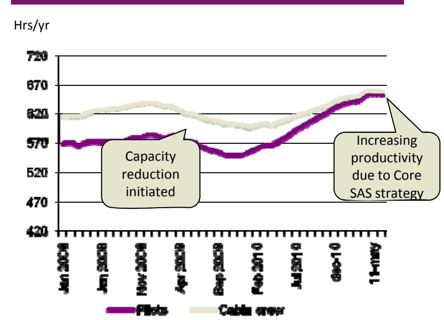
Block hours, 12 months rolling, June 2011	Aircraft, hours/day	Pilots, hours/year	Cabin, hours/year
Scandinavian Airlines	7.9	653	659
Widerøe	6.4	443	464
Blue1	8.0	636	751

Key productivity ratios improving
for Scandinavian Airlines

Aircraft utilization (12 months rolling)



Cabin, pilot utilization (12 months rolling)



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Yield and RASK development

Yield, currency adj	Apr-Jun*	Jan-Jun*
SAS Scandinavian Airlines	+0.6%	-0.5%

Yield, NOK	Apr-Jun	Jan-Jun
widerøe	-2.2%	-1.9%

RASK, currency adj	Apr-Jun*	Jan-Jun*
SAS Scandinavian Airlines	6.6%	+2.3%

Yield, EUR	Apr-Jun	Jan-Jun
Blue1	-0.9%	-1.9%

* Underlying yield, excluding positive effects from revaluation of EuroBonus liability.

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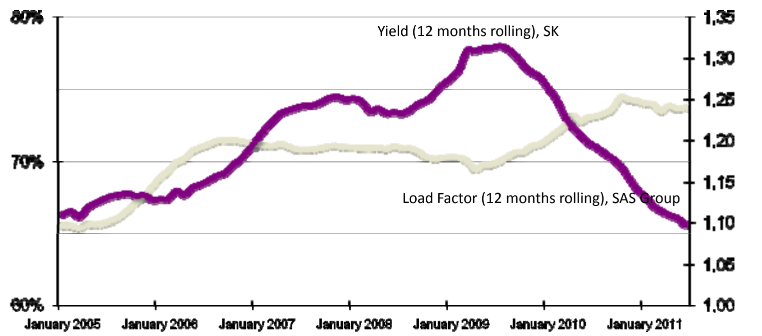
Yield at lowest levels since 2005, but load factor at historic highs

Load Factor

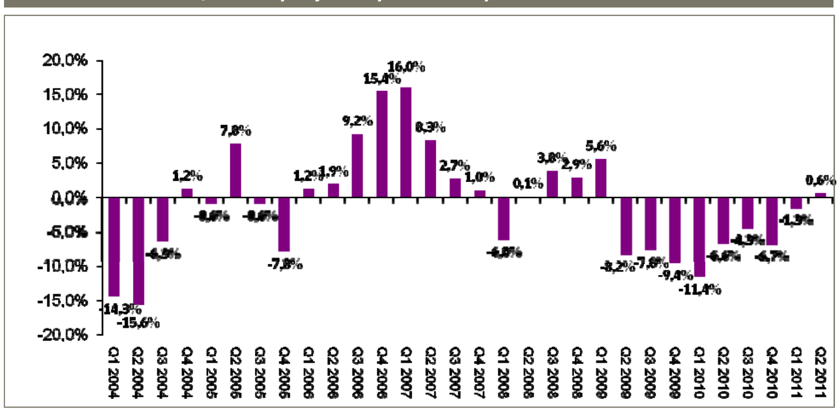
Yield (SEK)



Yield development - Quarterly

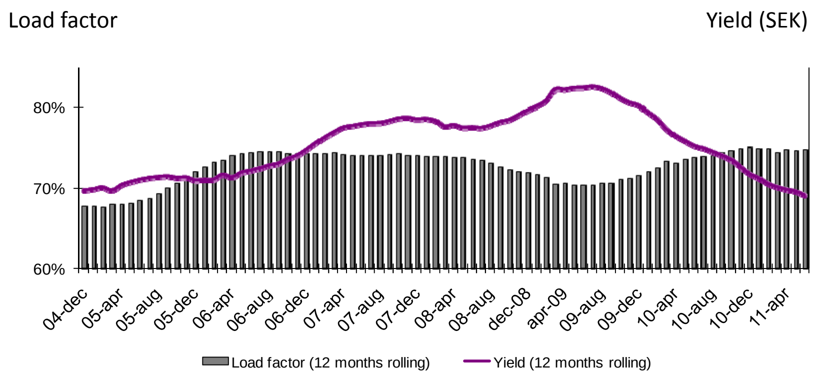
Scandinavian Airlines

Scandinavian Airlines, currency adjusted yield vs last year



Scandinavian Airlines
– Continued pressure on yields

SAS Group



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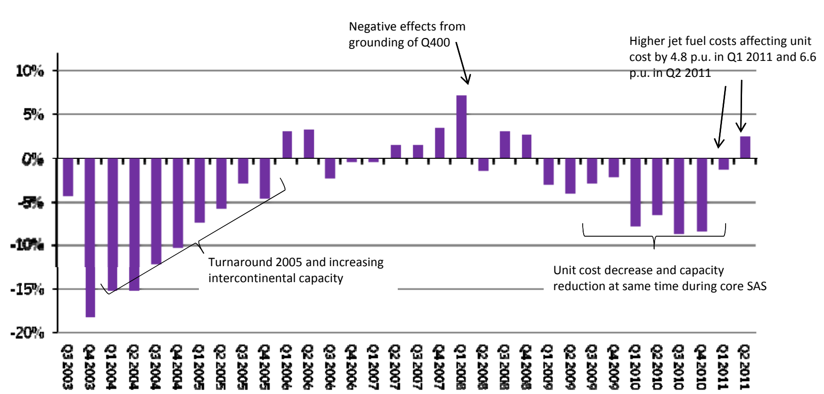
Scandinavian Airlines
Total unit cost development
- down 5.1% in Q2 2011 excluding jet fuel costs

SAS Group



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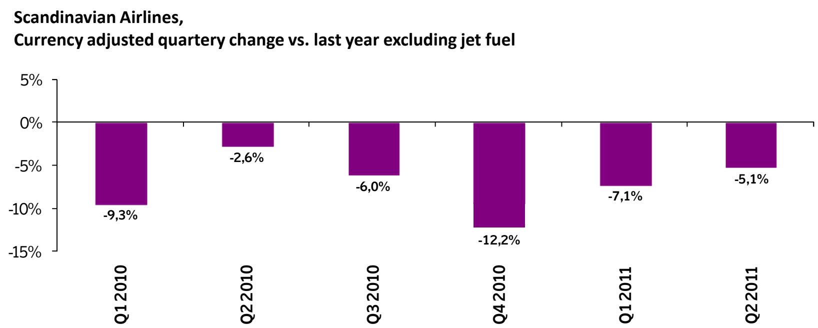
Unit cost development excluding jet fuel



Scandinavian Airlines

Breakdown of unit cost in Jan-Jun 2011

Scandinavian Airlines, currency adjusted

Unit cost breakdown	Jan-Jun 2011	Jan-Jun 2010	Var, %	Share of total var, %
Payroll expenses	-5 493	-5 890	-6.7%	-2.7%
Jet fuel	-3 327	-2 485	33.9%	5.7%
Government user fees	-1 717	-1 691	1.5%	0.2%
Selling and distribution costs	-1 069	-1 005	6.3%	0.4%
Handling costs	-699	-791	-11.6%	-0.6%
Teachnical aircraft maint.	-1 010	-1 063	-5.0%	-0.4%
Other operating expenses [1]	-50	-251	-80%	-1.4%
Total operating expenses [1]	**-13 365**	**-13 176**	**1.4%**	**1.3%**
Leasing costs for aircraft	-726	-787	-7.8%	-0.4%
Depreciation [2]	-761	-807	-5.7%	-0.3%
Adjusted EBIT	**-14 851**	**-14 770**	**0.6%**	**0.6%**

[1] Net of other operating revenues
[2] Excluding write down of aircraft in Q2

Scandinavian Airlines

Breakdown of unit cost in Q2 2011

Scandinavian Airlines, currency adjusted

Unit cost breakdown	Apr-Jun 2011	Apr-Jun 2010	Var, %	Share of total var, %
Payroll expenses	-2 756	-2 999	-8.1%	-3.2%
Jet fuel	-1 774	-1 277	38.9%	6.6%
Government user fees	-897	-878	2.2%	0.3%
Selling and distribution costs	-523	-494	6.0%	0.4%
Handling costs	-357	-400	-10.8%	-0.6%
Teachnical aircraft mainten.	-509	-509	0.0%	0.0%
Other operating expenses [1]	-120	-139	-13.5%	-0.2%
Total operating expenses [1]	**-6 937**	**-6 696**	**3.6%**	**3.2%**
Leasing costs for aircraft	-353	-377	-6.3%	-0,3%
Depreciation [2]	-386	-423	-8.6%	-0.5%
Adjusted EBIT	**-7 676**	**-7 496**	**2.4%**	**2.4%**

[1] Net of other operating revenues

[2] Excluding write down of aircraft

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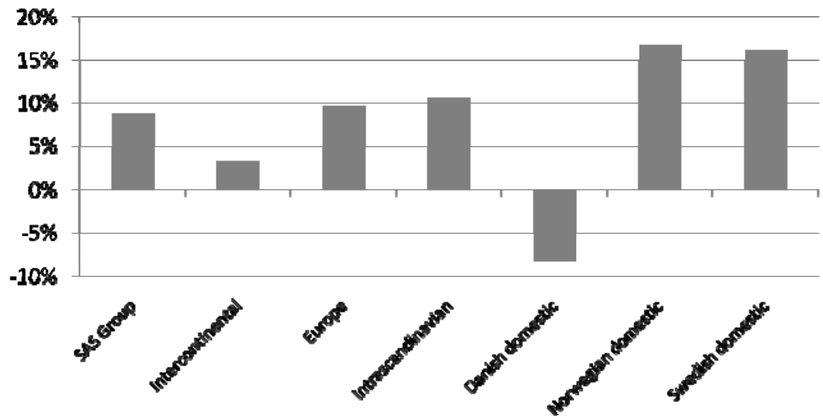
Strongest traffic growth on routes within Scandinavia

RPK Jan-Jun 2011 vs 2010, SAS Group



ASK outlook 2011

- Increase in 2011 with existing resources except for additional aircraft

Scheduled	2011 vs 2010
SAS Group	approximately 6%
Scandinavian Airlines	+5% to +6%
Widerøe	+15% to +20%
Blue1	approximately 10%

Scandinavian Airlines underlying capacity increase 2% in 2011

Gross planned increase	*+5-6%*
- Ash cloud effect	1.4%
- Intercontinental aircraft	2.5%
- Move of F50 to WF	-0.3%
Underlying short haul increase:	*~2%*

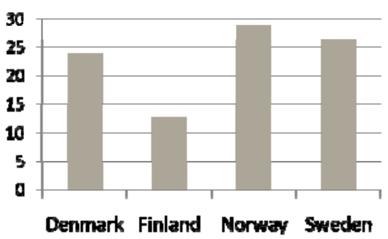
- Except for addition of 5 aircraft (including intercontinental), the capacity increase is managed with existing resources through increased productivity
- Other costs than aircraft represents an absolute majority of the operational costs
- Widerøe's capacity increase driven by incorporation of SAS Fokker 50 production
- Group charter capacity to be decreased by close to 1% during 2011

Short haul is relatively large in Scandinavia, but long haul is different

Short haul

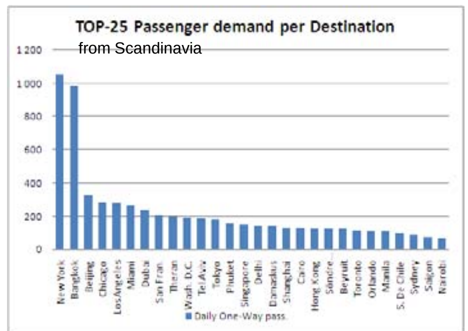
- Close to 90 million passengers per year at a value of close to SEK 100bn
- Geography and long distances with spread out populations makes air travel the only practical travel solution

Passengers in respective Nordic market 2010, million



Long haul

- Only about 6 Origin/Destination support a daily point-to-point
- Only about 12 destinations can be served daily with the full demand from/to the whole Scandinavian market

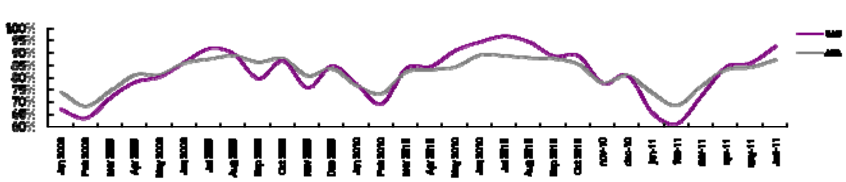


North Atlantic

Oslo-New York commenced in March 2011

- Traffic development January –June 2011
  - SK traffic up 10.5%
  - AEA traffic up 9.8%
- Stockholm to New York and Chicago
  - Increased frequencies this winter season
- Oslo-New York from March 2011
- Strong improvement in SAS traffic during Q2

Load factor



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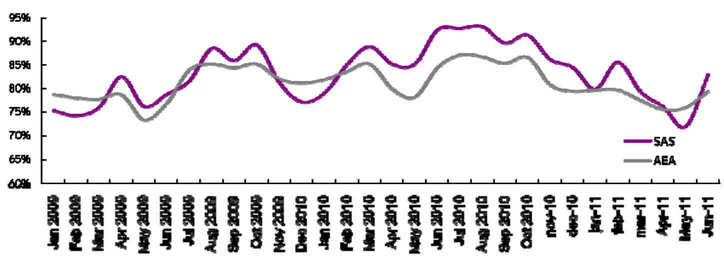
Asian routes affected by the earthquake in Japan
– SAS load factors still above AEA

- Scandinavian Airlines serving Bangkok, Beijing and Tokyo from Copenhagen
- Shanghai to be introduced in winter 2011/12
- Traffic development January-June 2011:
  - AEA traffic up 8.8%
  - SAS traffic down 5.8%

Load factor



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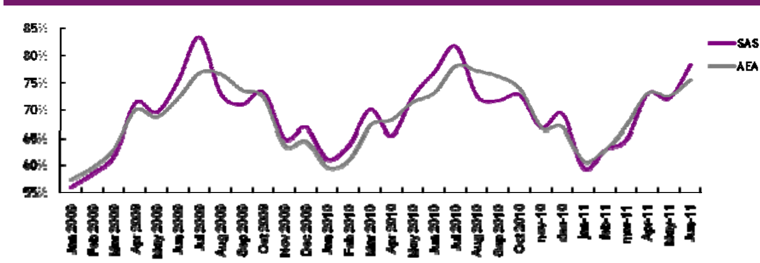
Cross border European routes
- SAS load factor in line with AEA

- Traffic development January-June 2011:
  - AEA traffic up 12%
  - SAS traffic up 8.6%

Load factor



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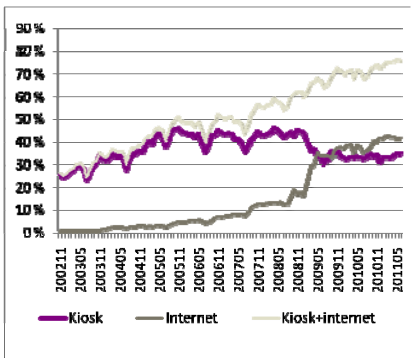
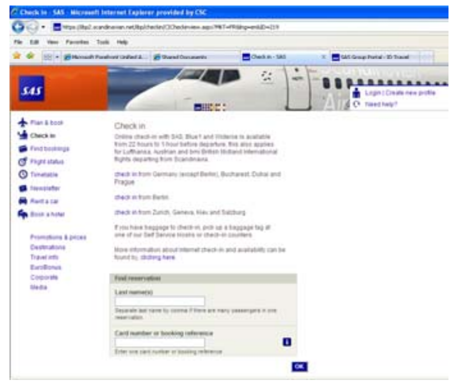
Internet check-in is the most commonly used check-in option by SAS' customers





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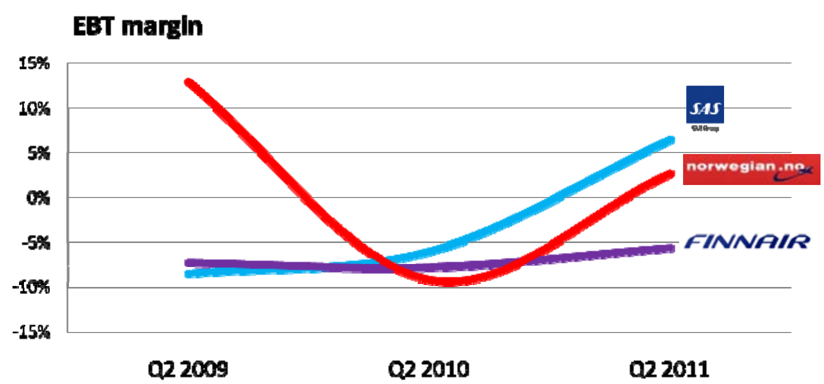
SAS Q2 performance relative to Nordic competitors 2009-2011



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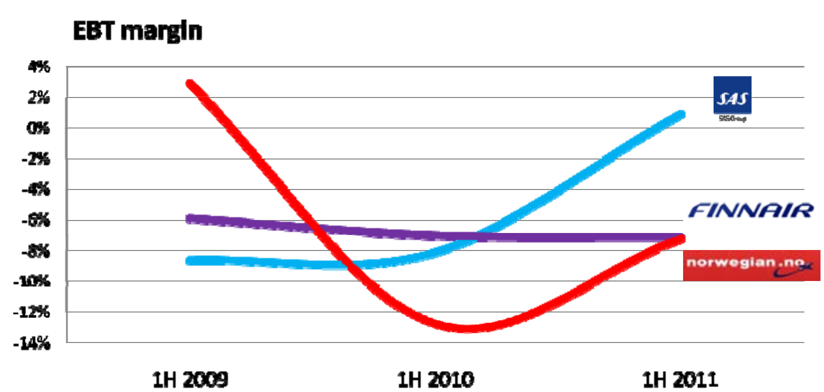
SAS has the highest EBT margin for the 1st Half relative to Nordic competitors



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Summary of the SAS Group's balance sheet

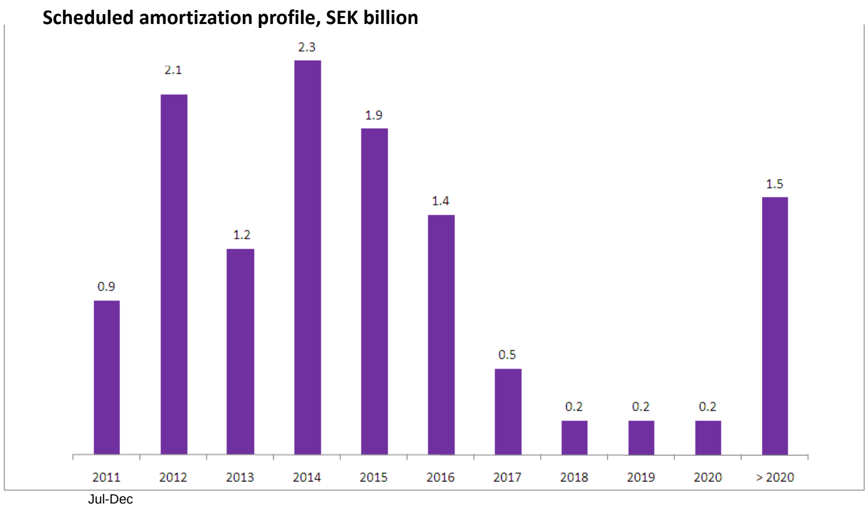
MSEK	30 Jun 2011	31 Dec 2010	30 Jun 2010
Aircraft and Spare parts	13 339	14 046	14 824
Other non interest-bearing assets	9 100	8 200	10 041
Interest-bearing assets	14 588	14 528	14 515
Cash and cash equivalents	5 658	5 051	7 200
Total Assets	**42 685**	**41 825**	**46 580**
Total shareholders' equity[1]	14 445	14 438	14 632
Deferred tax	1 995	2 306	2 253
Other interest-bearing liabilities	12 882	11 897	14 004
Operating liabilities	13 363	13 184	15 691
Total shareholders' equity and liabilities	**42 685**	**41 825**	**46 580**

[1] *Including minority interests*

Overview of available funds – June 2011

Available funds, SEK billion		Jun 2011	Maturity
Liquid funds		**5.6**	
Undrawn portion of credit facilities	Revolving Credit Facility, 366 MEUR (total SEK 3.3bn)	**3.3**	**Jun 2013**
	Revolving Credit Facility, 121 MUSD (total SEK 0.7 bn)	**0.0**	**Apr 2013**
	Credit Facility, 125 MUSD (total SEK 0.8 bn)	**0.4**	**Jan 2016**
	Bi-lateral Revolving Credit Facilities (total SEK 1.3 bn)	**1.3**	**Jun 2013**
	Others	**0.4**	**Dec 2011**
Total undrawn credit facilities		**5.4**	**N/A**
Total available funds		**11.0**	
Total credit facilities		**6.6**	
Drawn portion of credit facilities		**1.2**	
Undrawn portion of credit facilities		**5.4**	

Improved financial flexibility



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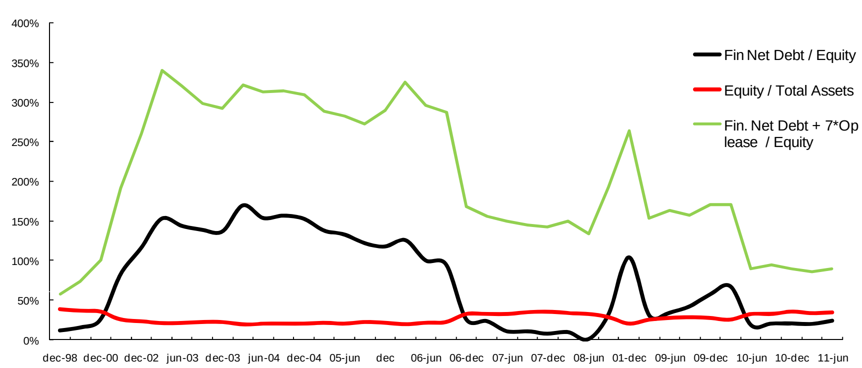
Gearing ratios



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SAS Group

Financial Net January - June

MSEK	Jan-Jun 2011	Jan-Jun 2010	Difference
Interest net and others	–352	–471	+119
Exchange rate differences	+18	+10	+8
Financial net	**–334**	**-461**	**+127**

MSEK	Apr-Jun 2011	Apr-Jun 2010	Difference
Interest net and others	–205	–270	+65
Exchange rate differences	+21	+19	+2
Financial net	**–184**	**-251**	**+67**

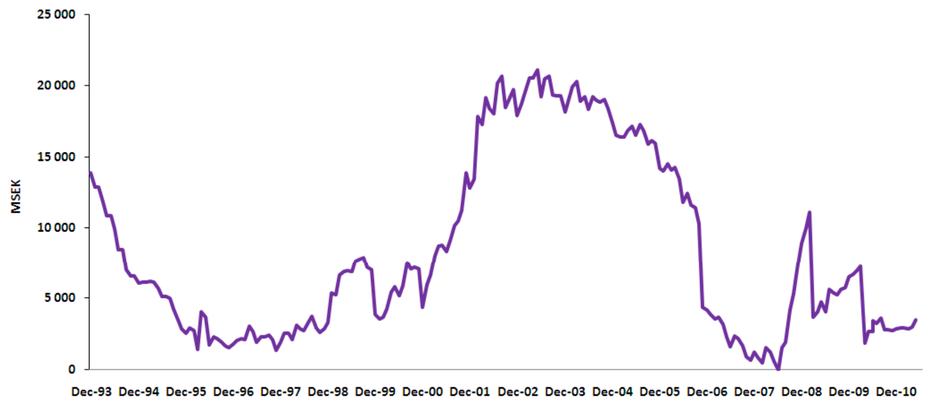
Development and Break Down

of Financial Net Debt

MSEK	2011-06-31	2010-12-31	Difference
Cash	5 658	5 051	+607
Other interest bearing assets	3 829	3 984	-155
Interest bearing liabilities	–12 882	–11 897	-985
Financial net debt	**–3 395**	**–2 862**	**-533**

Development of financial net debt

1993-2011



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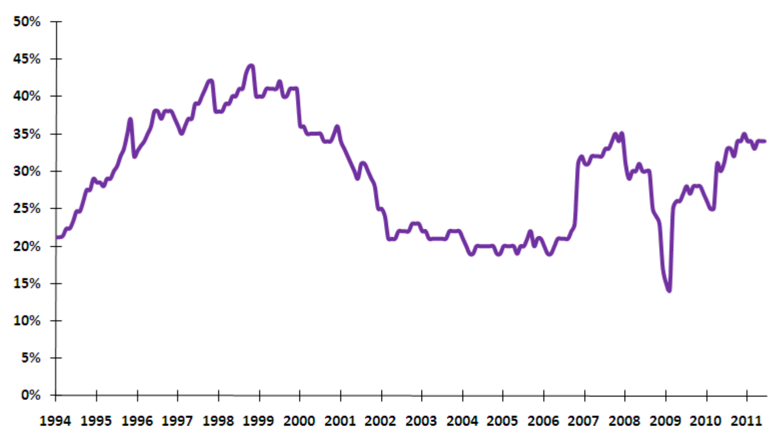
Equity / Assets Ratio

1993-2011



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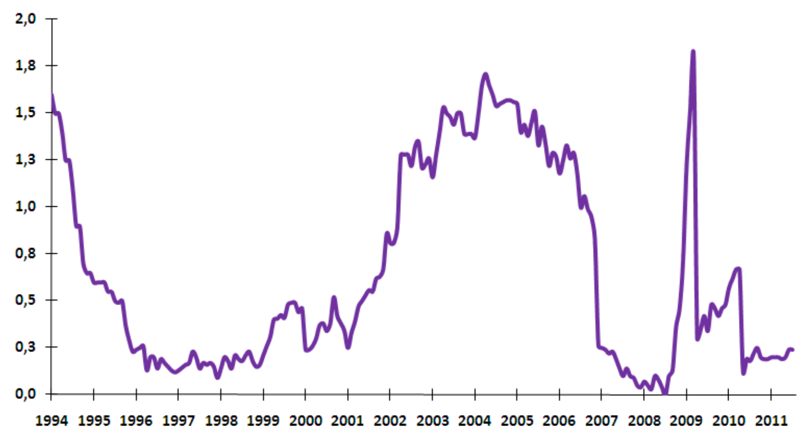
Financial Net Debt / Equity Ratio
1993-2011



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Development of the financial net debt
during Jan-Jun 2011

SEK billion	
Financial net debt December 2010	–2.8
Investments	–1.0
Sales	+0.4
Cash flow from operating activities	+0.2
Currency and others	-0.2
Financial net debt June 2011	**–3.4**

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Appendices

- Product improvements
- Fleet & productivity
- Unit revenue (yield & RASK) & Unit cost
- Traffic
- Financial update
- Currency & Fuel

Breakdown of currency effects SAS Group,

continuing operations 2011 vs. 2010

Total revenues & costs currency effects		Apr-Jun	Jan-Jun
Total revenues & costs	USD	350	520
	DKK	18	49
	NOK	– 75	– 158
	EUR	– 4	– 1
	Asian currencies	– 24	– 29
	All others	– 21	– 37
	Total	**244**	**344**
Forward cover costs	2010	– 54	– 240
	2011	579	674
	Difference	**633**	**914**
Working capital	2010	51	70
	2011	26	14
	Difference	**– 25**	**– 56**
Financial items	2010	19	10
	2011	21	18
	Difference	**2**	**8**
Total currency effects		**854**	**1,210**

Significant changes in currency exchange rates
affected the result by MSEK 1,210 in Jan-Jun 2011 vs Jan-Jun 2010

- Negative impact on revenues due to the stronger SEK
- Positive impact on other operating costs due to the stronger SEK
- Dissolution of USD-hedges for aircraft amounted to MSEK 729 in Q2 and MSEK 970 in the first half

Currency effects MSEK on SAS Group, continuing operations: 2011 vs. 2010	Apr-Jun 2011	Jan-Jun 2011
Total revenue	– 618	– 1,257
Total costs	862	1,601
Forward cover costs & working capital	608	858
Income before depreciation	**852**	**1,202**
Financial items	2	8
Income before tax	854	1,210

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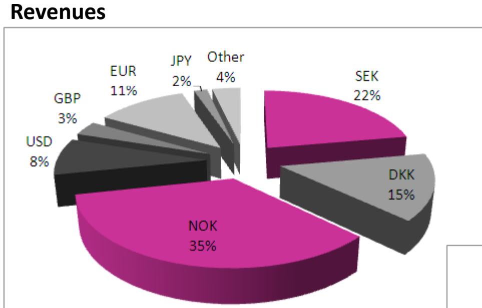
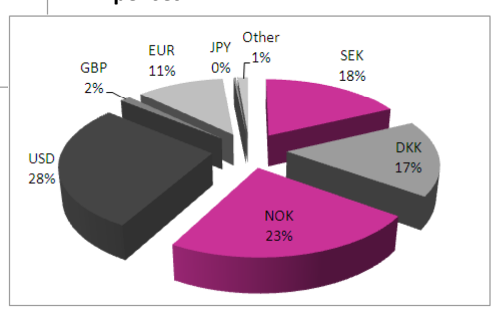
Currency distribution
in the SAS Group 2010

Revenues



Expenses



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Amended fuel hedging policy

Jet fuel, spot price development, USD

Current hedges

- 56% of the consumption hedged for July 2011 - June2012
- Only swaps and options
- Value of hedging portfolio as at 30 June MUSD 113

Amended policy to offset fuel price volatility

- Hedging 40-70% of expected consumption (12 months rolling)
- Up to 18 months hedging allowed
- Yield management
- Cost initiatives

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SAS hedging position

- mostly options

SAS Group's jet fuel hedging portfolio	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Jet fuel hedging proportion	56%	61%	57%	50%

SAS Group's jet costs in 2011 (annual average values)	5.0 SEK/USD	6.0 SEK/USD	7.0 SEK/USD	8.0 SEK/USD
Market price				
800 USD/MT	SEK 6.3 bn	SEK 6.8 bn	SEK 7.3 bn	SEK 7.9 bn
1 000 USD/MT	SEK 6.6 bn	SEK 7.2 bn	SEK 7.8 bn	SEK 8.4 bn
1 200 USD/MT	SEK 7.0 bn	SEK 7.6 bn	SEK 8.3 bn	SEK 8.9 bn
1 400 USD/MT	SEK 7.3 bn	SEK 8.0 bn	SEK 8.7 bn	SEK 9.4 bn

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