



Presentation of 3rd Interim Report 2006

Copenhagen and London, November 8 - 9



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



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

SAS Group

2



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



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



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3



Strong underlying result improvement Jan-Sep



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

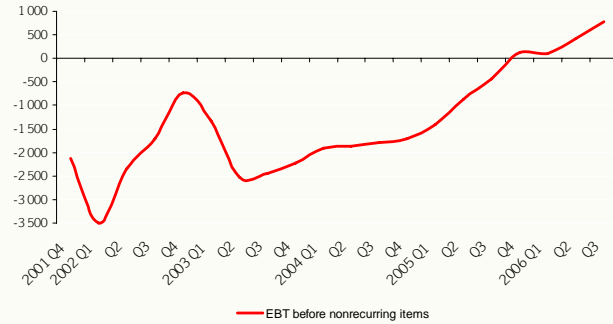
SAS Group

4



SAS Group EBT on 12 months rolling at MSEK 772

12 months rolling EBT before nonrecurring items, SAS Group



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5



SAS A319 painted in retro color
- Scandinavian Airlines 60 years

Gunilla Berg
CFO



Strongest improvement in Scandinavian Airlines Businesses

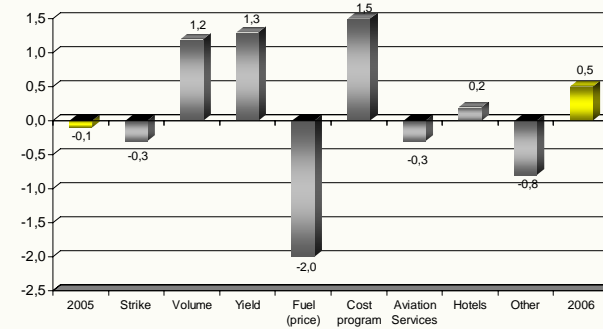
MSEK	2006	Jul-Sep Change	2006	Jan-Sep Change
▶ SAS Scandinavian Airlines	562	+424	510	+1 006
▶ SAS Individually Branded Airlines	360	-41	246	-155
▶ SAS Aviation Services	-42	-109	-76	-473
▶ Hotels	118	+30	235	+210
▶ Group eliminations, other	-29	+46	-371	+70
▶ EBT bef nonrecurring items	969	+350	544	+658

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7



SAS Group underlying result improved SEK 0,6 bn

Jan-Sep 2006 vs Jan-Sep 2005



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8



Strong improvement in SAS Denmark SAS Braathens affected by conflicts & weaker yield



SAS Denmark	Jul-Sep 2006	Change	Jan-Sep 2006	Change
Total revenues	2 850	+210	8 094	+440
EBITDAR	262	+83	583	+299
EBT bef nonrec Items	71	+139	-11	+418

Jan-Sep

- ▶ Solid traffic development
 - No of pass up 5,4%
 - Cabin factor up 7,6 p.u. to 72,9%
 - Yield up 1,7%
 - Unit cost up 2,1% adj for fuel
- ▶ Negative effect from pilot conflict in January MSEK 110

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9

SAS Braathens	Jul-Sep 2006	Change	Jan-Sep 2006	Change
Total revenues	3 243	+177	9 366	+299
EBITDAR	415	-48	906	-356
EBT bef nonrec Items	155	-28	171	-253

Jan-Sep

- ▶ Stable traffic but lower yield
 - No of pass up 4,6%
 - Cabin factor up 3,7 p.u. to 69,9%
 - Yield down 5,6%
 - Unit cost down 1,9% adj for fuel
- ▶ Results negatively affected by MSEK 240 from strike in April and conflict in January



SAS Sweden improved EBT MSEK 550 SAS International on right track



SAS Sweden	Jul-Sep 2006	Change	Jan-Sep 2006	Change
Total revenues	1 888	+110	5 960	+278
EBITDAR	197	+100	711	+520
EBT bef nonrec Items	31	+124	176	+549

Jan-Sep

- ▶ Capacity adjusted to demand
 - Cabin factor up 4,1 p.u. to 70,0%
 - Yield up 6,4%
 - Unit cost down 4,3% adjusted for fuel
- ▶ Signs of reduced overcapacity in the market

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10

SAS International	Jul-Sep 2006	Change	Jan-Sep 2006	Change
Total revenues	2 245	+28	5 934	+128
EBITDAR	423	+39	663	+159
EBT bef nonrec Items	250	+52	105	+113

Jan-Sep

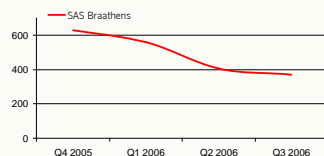
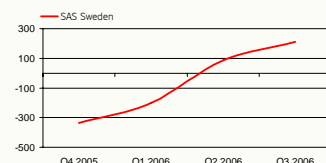
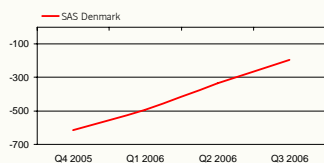
- ▶ Development as expected in Jan-Sep
 - Cabin factor stable at 83,6%
 - Yield up 13,3%
 - Unit cost up 3,0% adjusted for fuel
- ▶ Flat beds being installed and product improvements in Economy Extra



Positive profitability trend for 3 of 4 airlines but still far from return requirements



EBT before nonrecurring items (12 months rolling)



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11



Improved commercial concept to be implemented



- ▶ Improved customer offer to business passengers
 - Harmonized product concept
 - Product differentiation to increase
 - B2B Corporate agreements
 - Brand positioning
- ▶ Timetable
 - Gradual implementation
 - Launch Nov-Dec
 - New homepage launched
- ▶ Target
 - Customer Satisfaction index of 72 (today 66)
 - Capture revenue potential in market

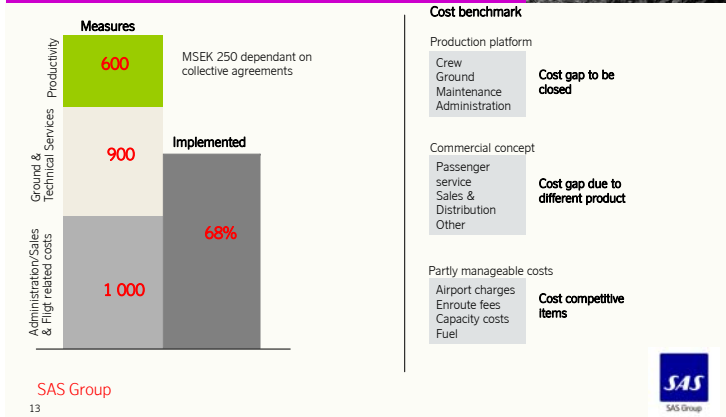
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12

The screenshot shows the SAS website interface with a search bar, flight status information, and a list of flights. The website is designed with a blue and white color scheme, consistent with the SAS brand.

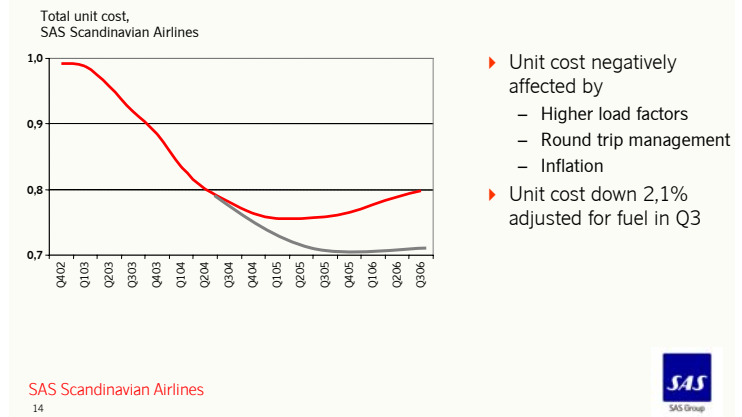


SEK 2,5 billion being implemented Necessary to close strategic cost gaps



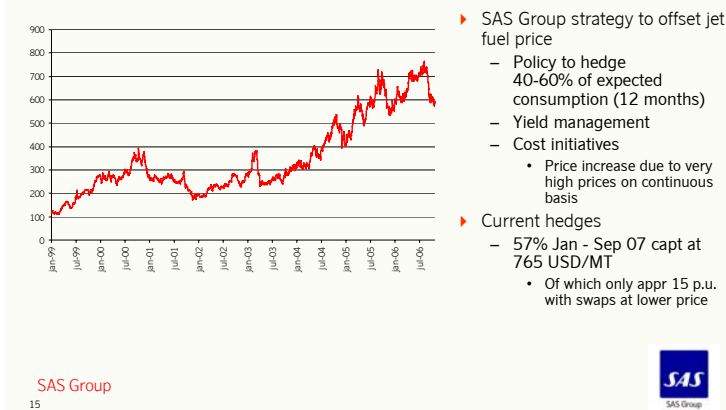
13

Unit cost development 2003-2006



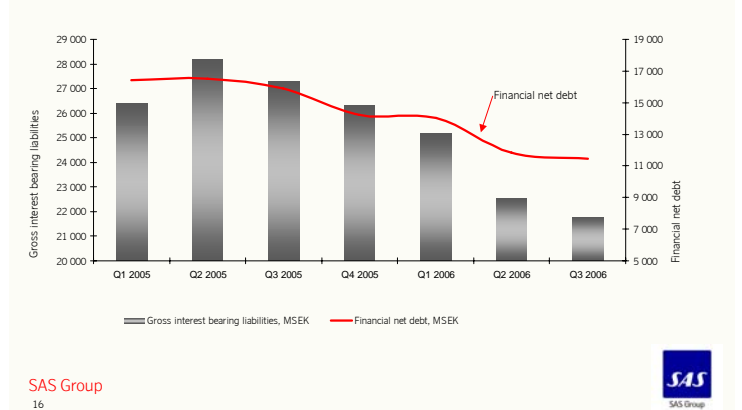
14

Fuel cost at record level - Full year fuel cost expected to increase to SEK 10,5 bn

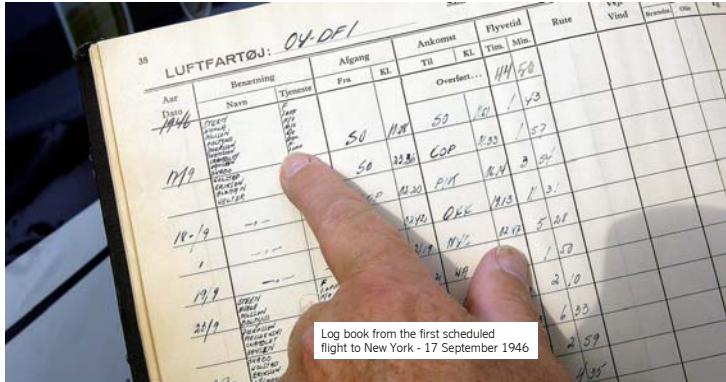


15

Financial gearing improved - IPO of Hotel to improve gearing further



16



Log book from the first scheduled flight to New York - 17 September 1946

Gunnar Reitan
CEO & President



Blue1 and airBaltic gain market shares

	Jul-Sep 2006		Jan-Sep 2006	
	2006	Change	2006	Change
Total revenues	481	24%	1 473	18%
EBITDAR	45	+3	93	-66
EBT, bef nonrec Items	2	-5	-36	-84

- ▶ Strong traffic figures
 - ▶ No of pass up 21,6%
 - ▶ Cabin factor up 3,4 p.u. to 67,0%
- ▶ Start up cost for European expansion
- ▶ 10 new international destinations introduced from Helsinki

	Jul-Sep 2006		Jan-Sep 2006	
	2006	Change	2006	Change
Total revenues	465	44%	1 152	40%
EBITDAR	82	+30	165	+89
EBT, bef nonrec Items	31	+13	44	+67

- ▶ Strong traffic development in Jan-Sep
 - ▶ No of pass up 40,8%
 - ▶ Cabin factor up 5,8 p.u. to 63,0%
- ▶ New destinations introduced East of Baltic
- ▶ airBaltic successfully competes with Ryanair and Easyjet

SAS Individually Branded Airlines



Spanair shows strong performance in Business segment Widerøe in Q3 loss due to increased personnel costs

	Jul-Sep 2006		Jan-Sep 2006	
	2006	Change	2006	Change
Total revenues	3 540	11,6%	8 563	22,7%
EBITDAR	636	-83	1 178	-30
EBT, bef nonrec Items	308	-10	165	+0

	Jul-Sep 2006		Jan-Sep 2006	
	2006	Change	2006	Change
Total revenues	713	0,4%	2 203	4,1%
EBITDAR	57	-32	209	-92
EBT, bef nonrec Items	-13	-33	4	-93

- ▶ Strong traffic development in Jan-Sep
 - ▶ No. of pass. up 20,4%
 - ▶ Cabin factor up 6,0 p.u. to 68,1%
 - ▶ Yield was up 3,3%
 - ▶ Strong performance in business segment
- ▶ Stable traffic development
 - ▶ No of pass up 6,1%
 - ▶ Cabin factor up 2,7 p.u. to 56,8%
 - ▶ Yield was down 3,7%
 - ▶ Cost reductions of MSEK 200 being implemented

Subsidiary & Affiliated Airlines

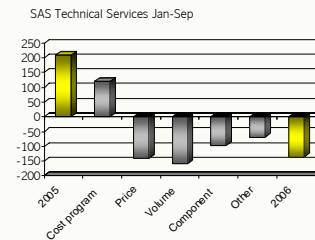


STS and SGS affected by lower volumes

Jan-Sep in MSEK

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

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



Airline Support Businesses



Rezidor IPO before year end

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

The Rezidor Hotel Group
21



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

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

Outlook

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



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22



Additional slides for further information

24



Four Business Areas as from 2006

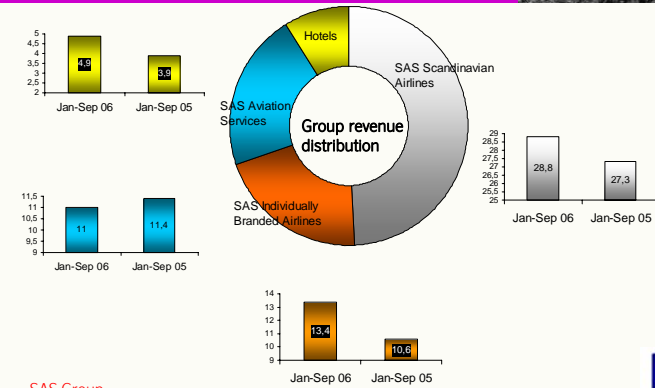
- ▶ From business units to limited companies



- ▶ Closer to local markets
- ▶ Improved accountability

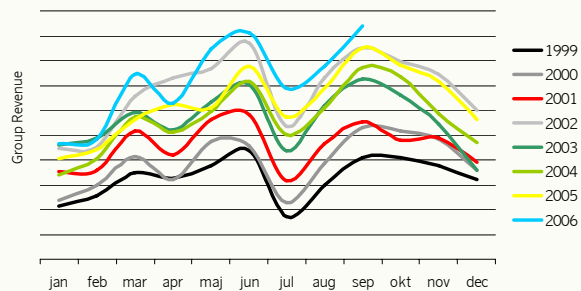


Revenues growing in major business areas



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26

Revenue seasonality pattern



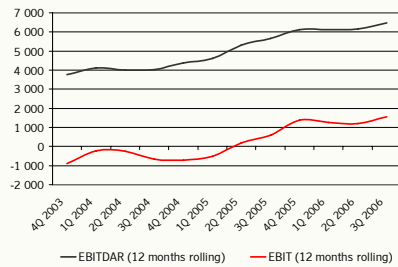
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27

EBITDAR and CFROI improved

MSEK, Jan-Sep	2006	2005	
▶ Revenue	50 418	45 600	10,6%
▶ EBITDAR	4 979	4 612	+8,0%
▶ EBITDAR-margin	9,9%	10,1%	+0,2 p.p.
▶ CFROI	13%	12%	+1 p.p.

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28

EBITDAR improved 8% in Q3



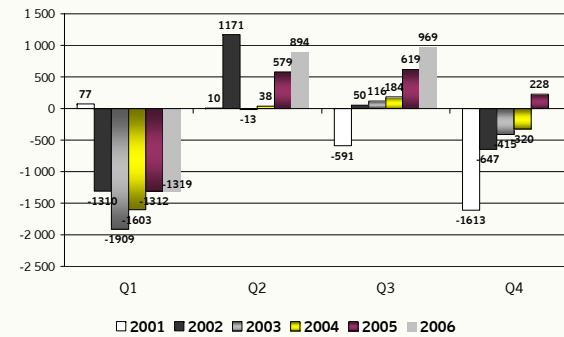
▶ EBITDAR in Q3 was MSEK 2 473 (2 154)

EBITDAR distribution

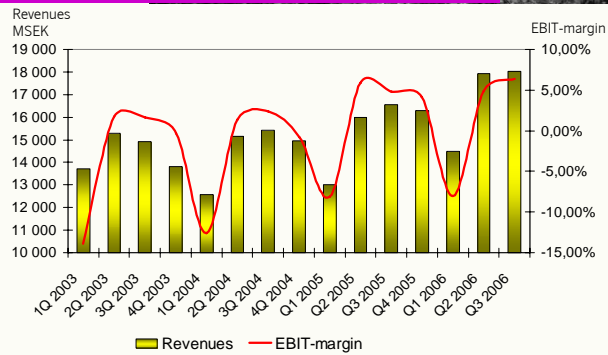
- Scandin Airl. MSEK 1 503 (1 150)
- Spanair MSEK 636 (719)
- Widerøe MSEK 57 (89)
- Blue1 MSEK 45 (42)
- airBaltic MSEK 82 (52)

Quarter result history - Q3 2006 best Q3 since 1995

MSEK, EBT before gains and nonrecurring items

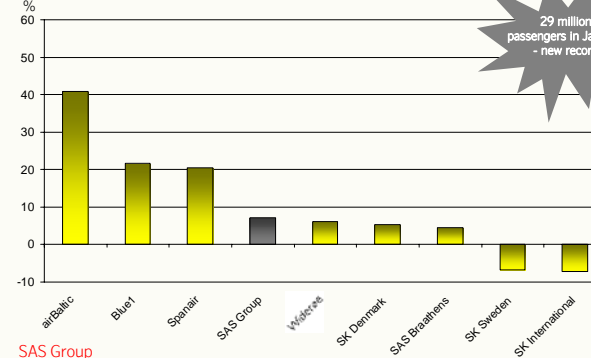


Positive trend in EBIT-margin and revenues

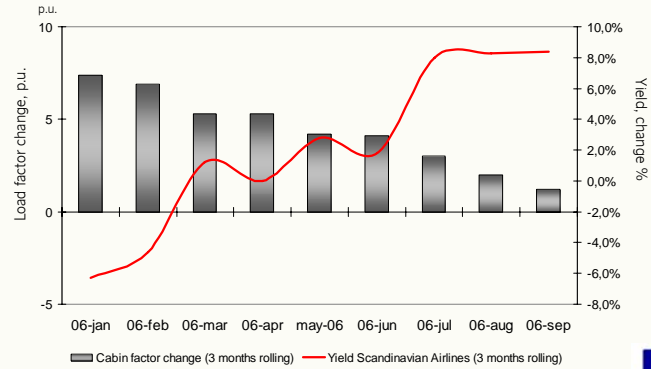


Strong growth in most Group airlines

Passenger growth in Jan-Sep 2006 vs 2005



Yield improvements with positive load factor development in Scandinavian Airlines



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33



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Record high jet fuel costs



- ▶ Average market prices:
 - ▶ 2000 297 USD/MT
 - ▶ 2001 245 USD/MT
 - ▶ 2002 233 USD/MT
 - ▶ 2003 282 USD/MT
 - ▶ 2004 399 USD/MT
 - ▶ 2005 568 USD/MT
 - ▶ Q1 2005 487 USD/MT
 - ▶ Q2 2005 556 USD/MT
 - ▶ Q3 2005 634 USD/MT
 - ▶ Q4 2005 592 USD/MT
 - ▶ Q1 2006 615 USD/MT
 - ▶ Q2 2006 692 USD/MT
 - ▶ Q3 2006 696 USD/MT
- ▶ Hedge levels (including premiums):
 - 57% hedged for Jan – Sep 2007
 - Combination of Caps and Swaps
 - Oct-Dec 2006 hedging level 692 USD/MT (incl premium)
 - Jan – Sep 2007 hedging level 765 USD/MT (incl premium)

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34



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Business areas



SAS Group



SAS Scandinavian Airlines



SAS Group

SAS Scandinavian Airlines' earnings improving



MSEK	July- September			January-September		
	2006	2005	Change	2006	2005	Change
▶ Revenues	10 057	9 351	+706	28 815	27 265	+1 550
▶ Operating expenses	-8 554	-8 201	-353	-25 446	-24 861	-585
▶ EBITDAR	1 503	1 150	+353	3 369	2 404	+965
▶ Lease	-522	-494	-28	-1 567	-1 393	-174
▶ EBITDA	981	656	+325	1 802	1 011	+791
▶ Depreciation	-296	-336	+40	-903	-1 021	+118
▶ Income from sales/affiliated	32	5	+27	72	367	-295
▶ EBIT	717	325	+392	971	357	+614
▶ EBT	578	129	+449	464	-172	+636
▶ EBT bef. nonrecurring items	562	138	+350	510	-496	+1 006

SAS Scandinavian Airlines

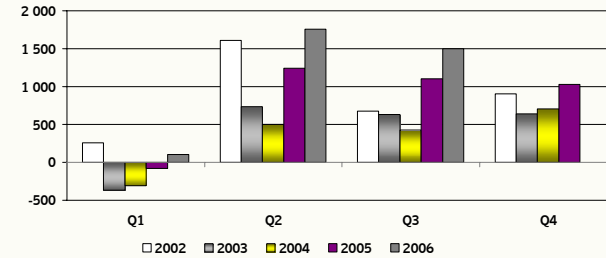
37



Strong EBITDAR improvement



EBITDAR, Scandinavian Airlines
MSEK



SAS Scandinavian Airlines

38



Strongest improvements in Denmark and Sweden



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

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39



Key airline profitability drivers improving



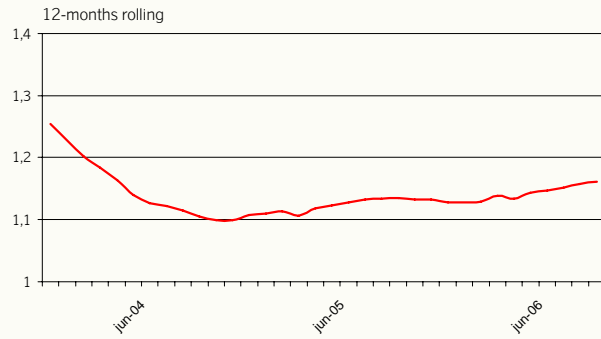
	2006 vs 2005		2006 vs 2005	
	July-September		January-September	
▶ Traffic (RPK)	flat	0,0%	up	0,3%
▶ Cabin Factor	up	0,4 p.u.	up	3,3 p.u.
▶ Yields (RPK)	up	9,2%	up	4,1%
▶ Yields (ASK)	up	7,4%	up	10,7%
▶ Total unit costs	up	3,8%	up	5,2%
– Fuel adjusted unit cost	down	2,1%	up	0,5%

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40



Yield has stabilized

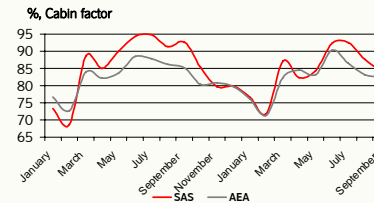
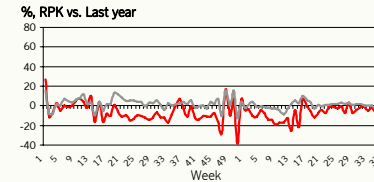


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41



Positive mix on North Atlantic routes



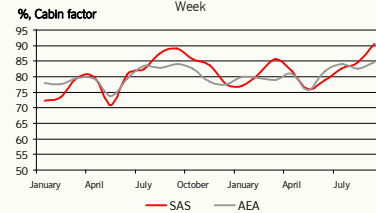
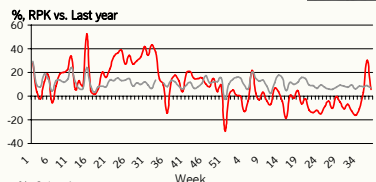
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42



- ▶ Daily departures to/from New York, Washington DC, Chicago, Seattle from Copenhagen
- ▶ Daily departures to/from New York and Chicago from Stockholm
- ▶ Competition has increased
 - ▶ Capacity has been reduced to New York and Washington DC resulting in improved cabin factors and lower volumes
- ▶ Positive mix
- ▶ Traffic in Jan-Sep 2006:
 - European airlines (AEA) traffic up 0,6%
 - SAS traffic down 7,0%

Positive cabin factor development on Asian routes



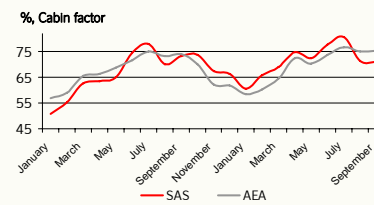
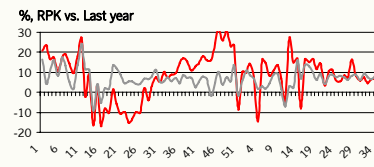
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43



- ▶ Scandinavian Airlines serving Bangkok, Beijing, Shanghai and Tokyo
- ▶ Bangkok-Singapore closed in March
- ▶ New flat beds being installed
 - ▶ Positive mix between Economy and Business Class
- ▶ Good development in Economy Extra
- ▶ Cabin factor higher than AEA
- ▶ Traffic in Jan-Sep 2006:
 - AEA traffic up 11,0%
 - SAS traffic down 3,6% due to reduced capacity

Scandinavian Airlines cabin factor over AEA on European routes



SAS Scandinavian Airlines

44



- ▶ New Business Models a success
 - ▶ Cabin factor above AEA average since September 2005
- ▶ Strong performance on UK, Netherlands, Finland and Italy
- ▶ Traffic Jan-Sep 2006:
 - AEA traffic up 6,8%
 - SAS traffic up 7,5% albeit capacity has been reduced by 1,1%

ECA agreement expires in 2007 – negative effect in 2006 expected to be appr MSEK 400



- ▶ 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 2001: MSEK 335
- ▶ Negative result effect 2002: MSEK 418
- ▶ Negative result effect 2003: MSEK 244
- ▶ Negative result effect 2004: MSEK 134
- ▶ Negative result effect 2005: MSEK 415
 - Result effect 1st Quarter 2006: MSEK –130 (-64)
 - Result effect 2nd Quarter 2006: MSEK –47 (-207)
 - Result effect 3rd Quarter 2006: MSEK –98 (-92)

SAS Scandinavian Airlines

45



SAS Individually Branded Airlines



Strong top line in SAS Individually Branded Airlines



MSEK	July-September			January-September		
	2006	2005	Change	2006	2005	Change
▶ Revenues	5 217	4 511	+706	13 430	10 621	+2 809
▶ Operating expenses	-4 390	-3 656	-734	-11 754	-8 992	-2 762
▶ EBITDAR	827	855	-28	1 676	1 629	+47
▶ Lease	-375	-367	-8	-1 128	-932	-196
▶ EBITDA	452	488	-36	548	697	-149
▶ Depreciation	-78	-82	+4	-241	-236	-5
▶ Income from affiliated	30	31	-1	55	43	+12
▶ EBIT	404	437	-33	362	504	-142
▶ EBT	360	398	-38	246	398	-152

SAS Individually Branded Airlines

47



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



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

SAS Individually Branded Airlines

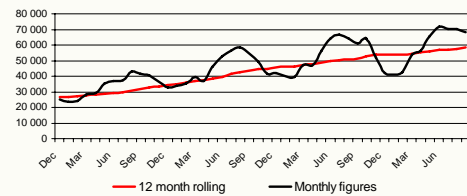
48



Estonian Air shows solid growth

- ▶ The SAS Group holds 49% in Estonian Air
- ▶ Estonian Air number of passengers up 11% in Jan-Sep
- ▶ Competitive cost position
- ▶ Increasing charter operation

Number of passengers Estonian Air



Subsidiary & Affiliated Airlines

49



SAS Aviation Services



SAS Aviation Services

MSEK	July-September			January-September		
	2006	2005	Change	2006	2005	Change
▶ Revenues	3 515	3 632	-117	10 959	11 366	-407
▶ Operating expenses	-3 536	-3 501	-35	-11 055	-10 585	-470
▶ EBITDA	-21	131	+152	-96	781	+877
▶ Depreciation	-66	-92	+26	-237	-340	-103
▶ EBIT	-87	39	-126	-369	441	-810
▶ EBT	-124	6	-130	-444	336	-780
▶ EBT bef nonrec items	-42	67	-109	-76	397	-473

SAS Aviation Services

51



STS and SGS affected by lower volumes

Jan-Sep in MSEK

	SAS Technical Services	SAS Ground Services	SAS Cargo	SAS Flight Academy
Revenues	3 644 -13,7%	4 398 -3,8%	2 660 13,2%	332 0,6%
EBT, bef nonrec.	-136 -346	13 -112	46 +19	35 +12

Airline Support Businesses

52

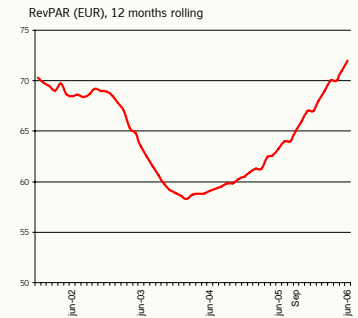




Profitability on track for Rezidor - Driven by strong RevPAR development

REZIDOR	Jul-Sep 2006	Change	Jan-Sep 2006	Change
Total revenues	1 663	20,9%	4 858	25,5%
EBITDA	172	+18	405	+172
EBT	118	+25	235	+205

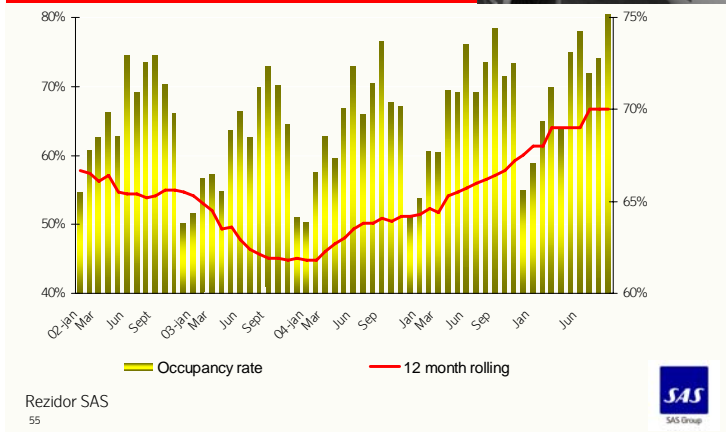
- ▶ Strong hotel market
- ▶ Number of rooms sold increased
 - ▶ RevPAR up 7,5%
 - ▶ Occupancy rate improved 2 p.u.
- ▶ Total number of hotels 226
- ▶ 23 new contracts signed in Jan-Sep
 - ▶ New Park Inn Hotel contract signed in center of Stockholm with 420 room



The Rezidor Hotel Group
54



Significant improved occupancy rate



Financial update

57



SAS Group balance sheet

MSEK	30 Sep 06	31 Dec 05
Liquid funds	8 327	8 684
Aircraft, spare parts	14 362	16 207
Other assets	32 338	33 125
Total assets	55 027	58 016
Operating liabilities	17 520	15 981
Interest-bearing liabilities	21 807	26 337
Deferred tax	3 616	3 617
Equity	12 084	12 081
Total liabilities and equity	55 027	58 016
Financial net debt	11 451	14 228

SAS Group

58



Positive free cash flow after investments and improved net debt

SEK, billion	Jul-Sep 2006	Jan-Sep 2006
▶ Cash flow from operations	1,3	1,4
▶ Change in working capital	-0,9	0,3
▶ Net financing from operations	0,4	1,7
▶ Investments, adv. payments	-0,9	-1,8
▶ Acquisitions/sale of subsidiaries (net)	0,0	0,0
▶ Sale of fixed assets etc.	1,1	2,5
▶ Financing deficit/surplus	0,7	2,4
▶ Change in external financing	-1,0	-2,8
▶ Cash flow from the period	-0,3	-0,4
▶ Financial net debt		11,5
▶ Available funds		14,2

SAS Group

59



Limited CAPEX

Firm Aircraft Orders	Total	2006 (Q4)	2007
Airbus A319	2		2
Boeing 737	2		2
Number of aircraft	4		4
CAPEX (MUSD)	114	5	109

▶ Other investments appr MSEK 1 500 /year

SAS Group

60

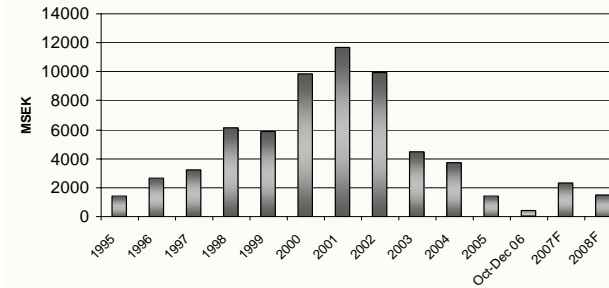


SAS Group has more than SEK 14 billion in available funds

	Sep 06	Sep 05	Change
Liquid Funds MSEK	8 327	8 360	-33
Available Credit Facilities:			
Revolving Credit Facility (MEUR 400)	3 706	2 335	+1 371
Bi-lateral Facilities	1 500	2 084	-584
Others	675	344	+331
Total Available Facilities	5 881	4 763	+1 118
Total Available Funds	14 208	13 123	+1 085
▶ Available facilities	MSEK 5 881		
▶ Utilized facilities	MSEK 1 065		
▶ Total facilities	MSEK 6 946		

▶ New credit facility of MSEK 250 signed in August 2006 (not used)

SAS Group CAPEX holiday continues

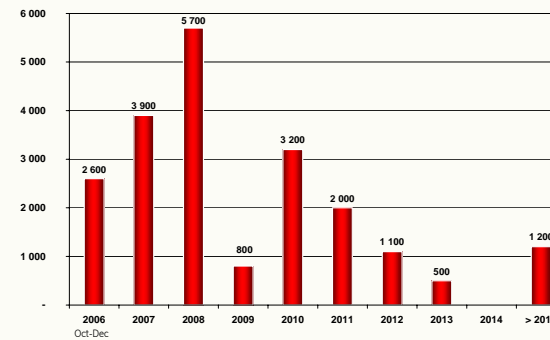


Key financial ratios and future targets

Key figures	Sep 06	Dec 05	Target
▶ Equity/assets ratio (solidity)	22%	21%	>30%
▶ Financial net debt/ equity	95%	118%	<50%
▶ Fin. net debt+7*Oplease/ equity	287%	290%	<100%

- ▶ Targets will be reached by:
- New Business Models and rationalization
 - Capital Release:
 - Aircraft – phase-outs
 - Other Assets (Properties, non-core subsidiaries etc)
 - Cash flow from operations
 - IPO of Hotels

Amortization profile of interest bearing liabilities



Financial Net January-September 2006 vs last year



(MSEK)	06-09-30	05-09-30	Difference
Interest net and others	-737	-880	+143
Exchange rate differences	+11	-26	+37
Financial net	- 726	-906	+180

Financial Net July-September 2006 vs last year



(MSEK)	Q3-2006	Q3-2005	Difference
Interest net and others	-277	-256	-21
Exchange rate differences	+16	-1	+17
Financial net	- 261	-257	-4

Development and Break Down of Financial Net Debt



(MSEK)	060930	051231	Difference
Cash	8 327	8 684	-357
Other interest bearing assets	2 029	3 425	-1 396
Interest bearing liabilities	-21 807	-26 337	+4 530
Financial Net debt	-11 451	-14 228	+ 2 777

Development and Break Down of Financial Net Debt



(MSEK)	060930	050930	Difference
Cash	8 327	8 360	-33
Other interest bearing assets	2 029	3 084	-1 055
Interest bearing liabilities	-21 807	-27 332	+5 525
Financial Net debt	-11 451	-15 888	+ 4 437

Development of Financial Net Debt



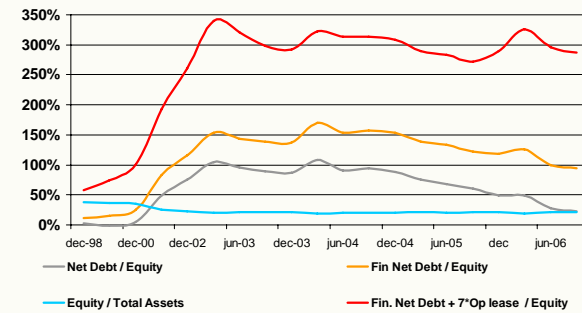
Equity/Asset ratio



Financial Net Debt/Equity ratio



Gearing ratios improved in 2006



Credit position – Sum up

- ▶ Solid liquidity of MSEK 8 327
- ▶ Substantial Committed credit facilities of MSEK 5 881
 - ▶ Credit facilities of MSEK 935 amortized in Jan-Sep
- ▶ Limited CAPEX in 2006-2007
- ▶ Streamlining of Group
 - ▶ SAS Group prepares IPO of Rezidor before year end
- ▶ New cost adaptive measures under implementation and increased to SEK 2,5 billion
- ▶ Positive cash flow from operations and loss carry forward will improve tax position



APPENDICES

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



Guidance

SAS Group	2006 vs 2005	2007 vs 2006
▶ Fuel costs (SEK, billion)	10,5	11 - 11,5
▶ ASK	up 2%	6-7%
Scandinavian Airlines Businesses		
	2006 vs 2005	
▶ Yield	positive	-
▶ ASK	-2% to -3%	up 1-2%
▶ Load factor	up	-
Capacity outlook		
	2006 vs 2005	
▶ Scandinavian Airlines Denmark	-7%	-
▶ SAS Braathens	+4%	-
▶ Scandinavian Airlines Sverige	-8%	-
▶ Scandinavian Airlines International	-6%	-
▶ Spanair	13%	-
▶ Blue1	45%	-
▶ Widerøe	2-3%	-
▶ airBaltic	25%	-



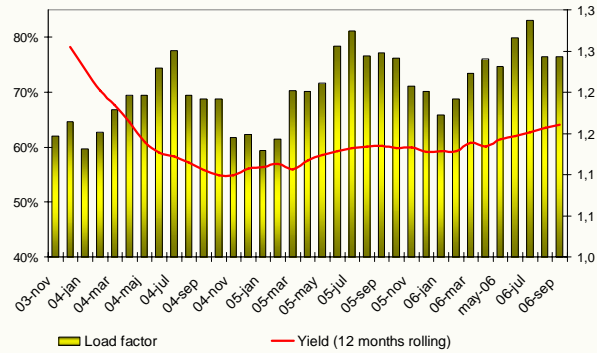
Yield development 2006 vs 2005

SAS Scandinavian Airlines Total Scheduled

Jan-Sep	2006	2005	Change
Yield (öre/RPK)	111,6	105,5	5,8%
Currency adj. yield	111,6	107,2	4,1%
Jul-Sep			
	2006	2005	Change
Yield (öre/RPK)	105,4	98,5	6,9%
Currency adj. yield	105,4	96,5	9,2%



Improved load factors and stable yield

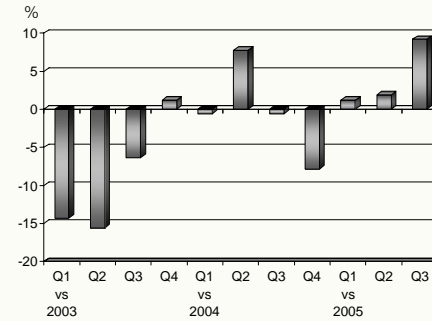


SAS Scandinavian Airlines

77



Yield development – Scandinavian Airlines Businesses



- ▶ Yields down 9,1% in 2004
- ▶ Yields down 0,3 in 2005
- ▶ Yield up 1,2% in Q1 2006
- ▶ Yield up 1,9% in Q2 2006
- ▶ Yield up 9,2% in Q3 2006

SAS Scandinavian Airlines

78



Passenger yield January-September 2006



Route Sector	Nominal yield	Currency effect	Adjusted yield
SAS Scandinavian Airlines	106	98	104
Intercontinental	116	98	113
Europe	103	97	100
Intrascandinavian	97	98	95
Denmark	110	97	106
Norway	101	97	99
Sweden	119	99	118

SAS Scandinavian Airlines

79



Passenger yield July-September 2006







Route Sector	Nominal yield	Currency effect	Adjusted yield
SAS Scandinavian Airlines	107	102	109
Intercontinental	112	103	115
Europe	108	100	108
Intrascandinavian	101	101	102
Denmark	110	100	110
Norway	100	103	102
Sweden	122	100	122

SAS Scandinavian Airlines

80



Yield development 2006 vs 2005

Yield, local currency	Jul-Sep	Jan-Sep
	0,0%	3,3%
	-0,9%	-3,7%
	-24,2%	-22,0%
	7,4%	3,0%

Subsidiary & Affiliated Airlines

81



Unit cost development

Volume, curr and method adjusted				
Cost analysis	Jan-Sep 05	Jan-Sep 06	Var%	Share of total var %
Personnel	-5 706	-5 860	2,7%	0,7%
Fuel	-4 122	-5 219	26,6%	4,7%
Gov. Charges	-2 845	-2 693	-5,3%	-0,6%
Selling cost	-456	-407	-10,8%	-0,2%
Ground Services	-4 000	-3 724	-6,9%	-1,2%
Technical	-2 998	-2 906	-3,1%	-0,4%
Other operating costs	1 881	2 444	30,0%	2,4%
TOTAL OPERATING EXPENSES	-22 007	-23 253	5,7%	5,3%
Aircraft costs	-1 545	-1 530	-1,0%	-0,1%
ADJUSTED EBIT	-23 553	-24 783	5,2%	5,2%

Volume, curr and method adjusted				
Cost analysis	Jul-Sep 05	Jul-Sep 06	Var%	Share of total var %
Personnel	-1 832	-1 870	2,1%	0,5%
Fuel	-1 456	-1 929	32,5%	5,9%
Gov. Charges	-990	-916	-7,5%	-0,9%
Selling cost	-183	-136	-25,7%	-0,6%
Ground Services	-1 329	-1 216	-8,5%	-1,4%
Technical	-880	-857	-2,6%	-0,3%
Other operating costs	837	908	8,5%	0,9%
TOTAL OPERATING EXPENSES	-7 507	-7 832	4,3%	4,0%
Aircraft costs	-526	-505	-4,1%	-0,3%
ADJUSTED EBIT	-8 033	-8 337	3,8%	3,8%

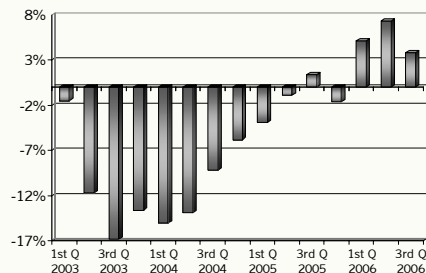
SAS Scandinavian Airlines

82



Unit up in 2006 due to increased fuel costs, conflicts and reduced capacity

Total unit cost, SAS Scandinavian Airlines



- ▶ Unit cost down 10,9% in 2004
- ▶ Unit cost down 1,7% in 2005
- ▶ Unit cost up 5,2% in Jan-Sep
- ▶ Unit cost up 3,8% in 3rd Quarter
 - Adjusted for fuel, unit cost was down by 2,1%

SAS Scandinavian Airlines

83



Block hours overview

12 months rolling Oct 05 -Sep 06	Air craft/day	Pilots/year	Cabin/year
Scandinavian Airlines Businesses	7,9	547	628
Spanair	8,5	717	795
Widerøe	6,8	455	430
Blue1	7,9	640	622
airBaltic	8,9	802	749

SAS Group

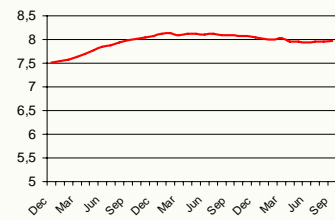
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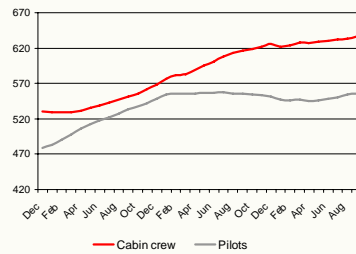
Key productivity ratios



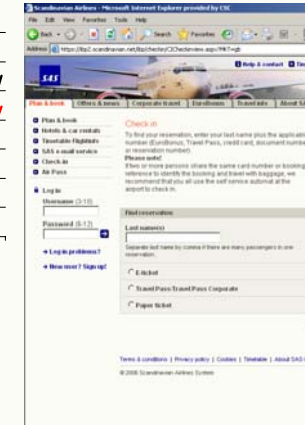
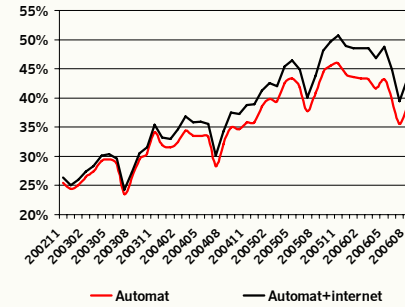
Aircraft utilization (12 month rolling)



Cabin, pilot utilization (12 month rolling)



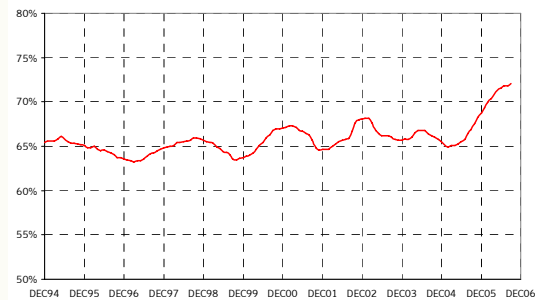
Self Service check in stable close to 50% Internet check in over 5%



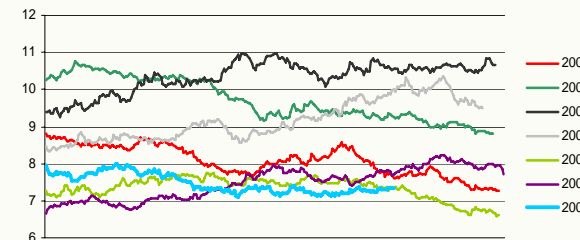
Long term passenger cabin factor trend positive



Moving 12 months values



USD gradually weaker in 2006



Currency effect – SAS Group
January-September 2006 vs 2005



MSEK	Jan-Sep
Total revenues	+677
Total costs	-777
<u>Forward cover costs & working cap.</u>	<u>+93</u>
Income before depr.	-7
<u>Financial items</u>	<u>+37</u>
Income before tax	+30



Currency effect – SAS Group
January-September 2006 vs 2005



Total revenues & costs: (Total -100 MSEK)		Working capital: (Total +76 MSEK)	
Major approx. effects:		2005	-143
USD	-255	2006	-67
DKK	-18		
NOK	+131	Financial items: (Total +37 MSEK)	
EUR	+15	2005	-26
Asian curr.	+15	2006	+11
All others	+12		
Forward cover costs: (Total +17 MSEK)		Grand total +30 MSEK	
2005	+63		
2006	+80		



Currency effect – SAS Group
July-September 2006 vs 2005



MSEK	Jul-Sep
Total revenues	-338
Total costs	+454
<u>Forward cover costs & working cap.</u>	<u>-149</u>
Income before depr.	-33
<u>Financial items</u>	<u>+17</u>
Income before tax	-16



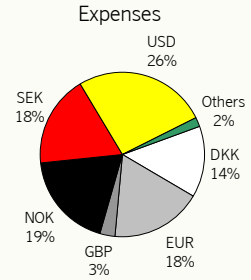
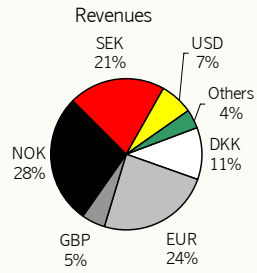
Currency effect – SAS Group
July-September 2006 vs 2005



Total revenues & costs: (Total +116 MSEK)		Working capital: (Total -98 MSEK)	
Major approx. effects:		2005	+33
USD	+212	2006	-65
DKK	+6		
NOK	-48	Financial items: (Total +17 MSEK)	
EUR	-18	2005	-1
Asian curr.	-24	2006	+16
All others	-12		
Forward cover costs: (Total -51 MSEK)		Grand total -16 MSEK	
2005	+85		
2006	+34		



Currency distribution in the SAS Group 2005



SAS Group Fleet – September 2006

SAS Group fleet	Owned	Leased	Total	Leased out	On order
Airbus A330/A340	5	6	11		
Airbus A321/A320/A319	7	24	31		2
Boeing 737-serien	20	62	82	4	2
Boeing 717 (MD-95)	0	4	4		
Douglas MD-80-serien	26	62	88	5	
Douglas MD-90-serien	8	0	8	5	
Avro RJ-85/100	0	9	9		
Fokker F50	2	12	14		
deHavilland Q-serien	17	36	53		
SAAB 2000	0	5	5	5	
Total	85	220	305	19	4
Scandinavian Airlines			183		
Sparair			61		
Wideroe			29		
Blue1			17		
airBaltic			15		
Total			305		

SAS share



Development of Market Capitalization



SAS share vs index

SAS Market Capitalization vs. European Peers measured in SEK
(December 31, 2004 - October 31, 2006)

