

ANNUAL GENERAL MEETING

RICKARD GUSTAFSON, PRESIDENT & CEO

10.04.2018

A STAR ALLIANCE MEMBER 

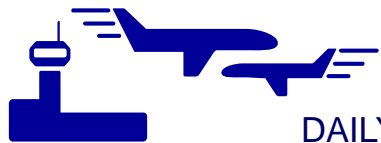
SAS

SAS is an important part of Scandinavian infrastructure

A DAY IN THE LIFE OF SAS

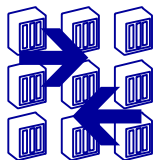
>82,000

PASSENGERS SERVED
PER DAY



DAILY
DEPARTURES

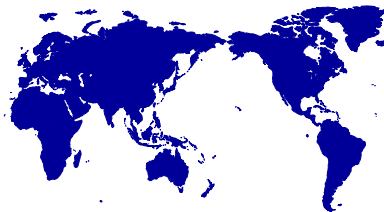
>800



~350

TONNES CARGO
TRANSPORTED DAILY

SAS BY THE NUMBERS



272

ROUTES
SERVED



158

AIRCRAFT (OF
WHICH WET LEASED)



33

>5 million

EUROBONUS
MEMBERS



10,324

AVG. NUMBER OF
EMPLOYEES

43bn

SEK OPERATING
REVENUE

13%

ROIC



1

FY17 IN RETROSPECTIVE

2

CURRENT DYNAMICS

3

WAY FORWARD



Our vision is to make life easier for Scandinavia's frequent travelers



BE THE FIRST CHOICE FOR
SCANDINAVIA'S FREQUENT TRAVELERS



CREATE AN EFFICIENT OPERATING
PLATFORM



SECURE THE RIGHT CAPABILITIES



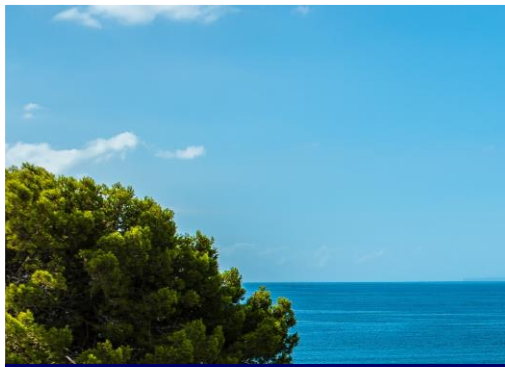
SUSTAINABLE & PROFITABLE BUSINESS

***THIS IS
THE DOOR
TO OUR
SECOND
HOME***

***WE ARE
TRAVELERS***

SAS

In FY17, customer offering has been reinforced...



LEISURE OFFERING



NEW NORDIC



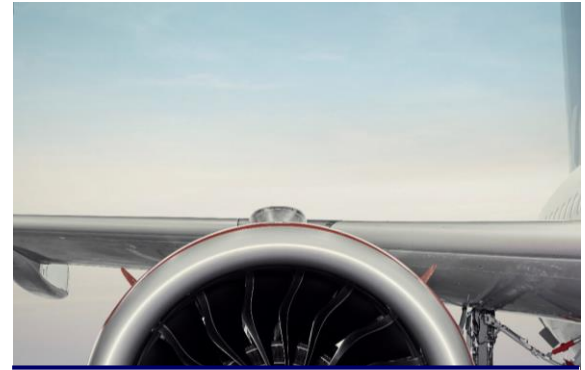
EUROBONUS



LOUNGE REFRESH



...and operational efficiency increased further. SAS Ireland up and flying!



EFFICIENCY PROGRAM



High commitment among employees is an integral part of SAS success



Financial position strengthened through a row of successful measures



affarsvärlden

AFGX 575,06 +0,26% 15,11, +4,08 % i år	NIKKEI 225 23016,55 +0,03% 07,15, +4,62 % i år	HANG SENG 52315,41 +0,65% 09,08, +8,27 % i år	FTSE 100 7729,71 -0,01% 15,15, 0 % i år
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Nyheter / Börs & marknad / Analys / Värnlikörer / Bostad & fastighet / Analys+ / Platinum / An

ANNONS

DIRECTED SHARE ISSUE

SAS GENOMFÖR RIKTAD NYEMISSION PÅ 1,27 MILJARDER KRONOR

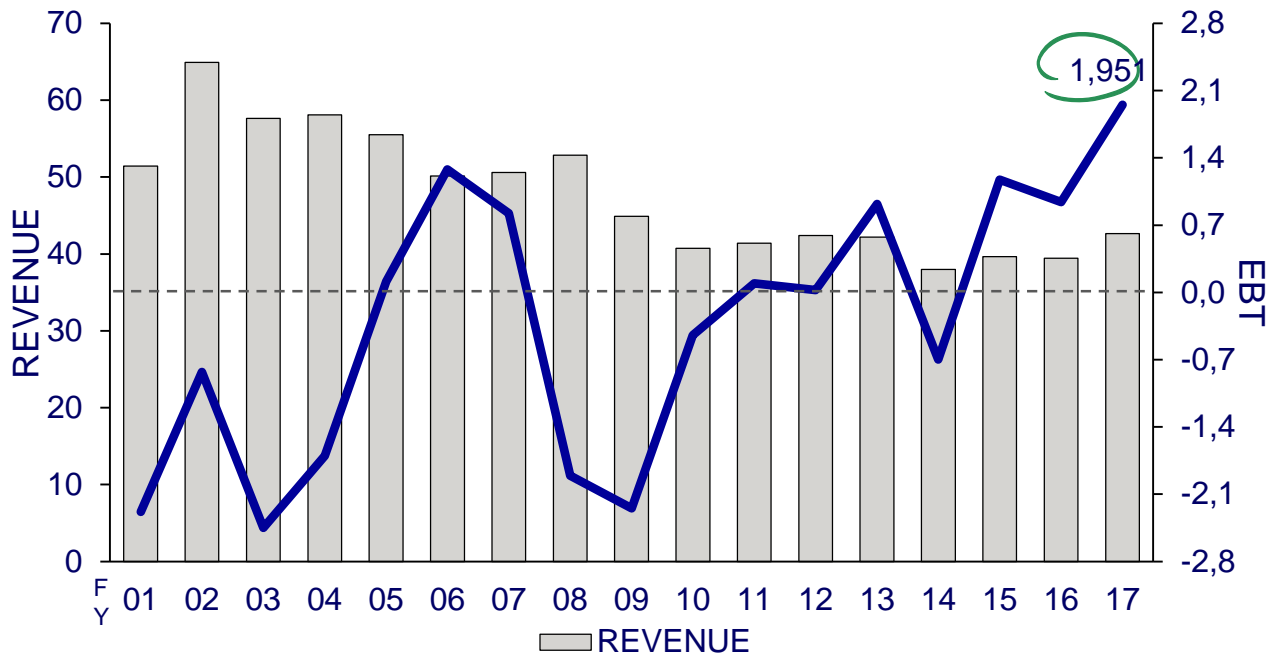
2017-11-09 07:18 Av: Direkt Affarsvärlden



A STAR ALLIANCE MEMBER | **SAS**

As a matter of fact, FY17 has been SAS strongest year in 20 years!

REVENUE AND EBT¹ (SEK bn)



FINANCIAL KEY RATIOS
FY17

37%

FINANCIAL
PREPARED-
NESS

3.1x

FINANCIAL
NET DEBT/
EBITDA

13%

ROIC

SHARE PRICE
DEVELOPMENT FY17

**SEK
15.30**

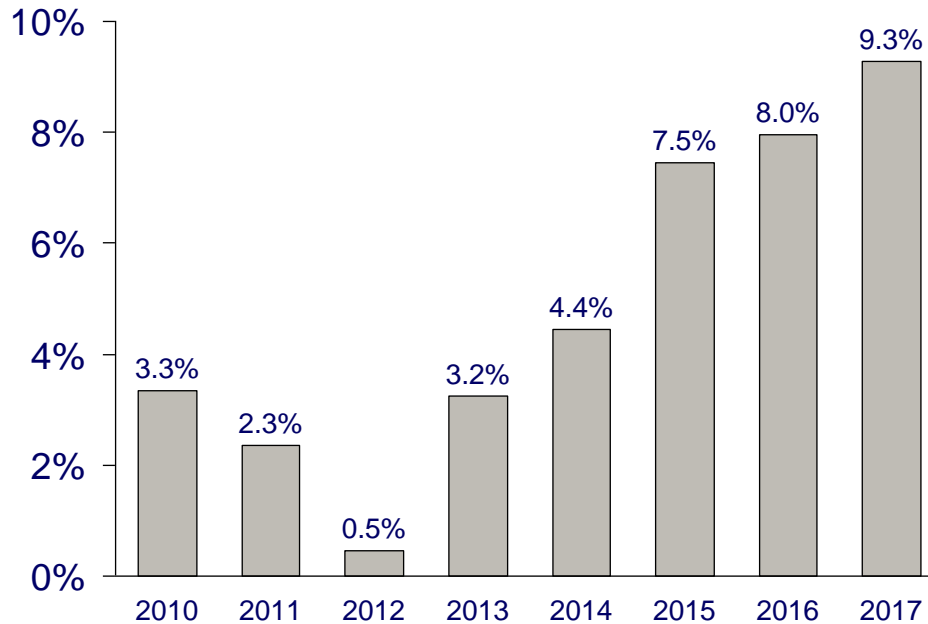


**SEK
25.90**

Note: EBT before non-recurring items

2017 was a strong year for European commercial aviation in general – although we have seen some dramatic developments

EBIT % – AVG. EUROPEAN AIRLINES¹



Note: SAS, Norwegian, Lufthansa, IAG, Airfrance-KLM, Finnair, Ryanair, EasyJet, and Wizz
Source: Annual reports

Everything must go as Air Berlin leaves behind mountain of debt



Ryanair wants to buy Italy's bankrupt airline

Monarch Airlines goes bankrupt



Norwegian records loss in 2017



1

FY17 IN RETROSPECTIVE

2

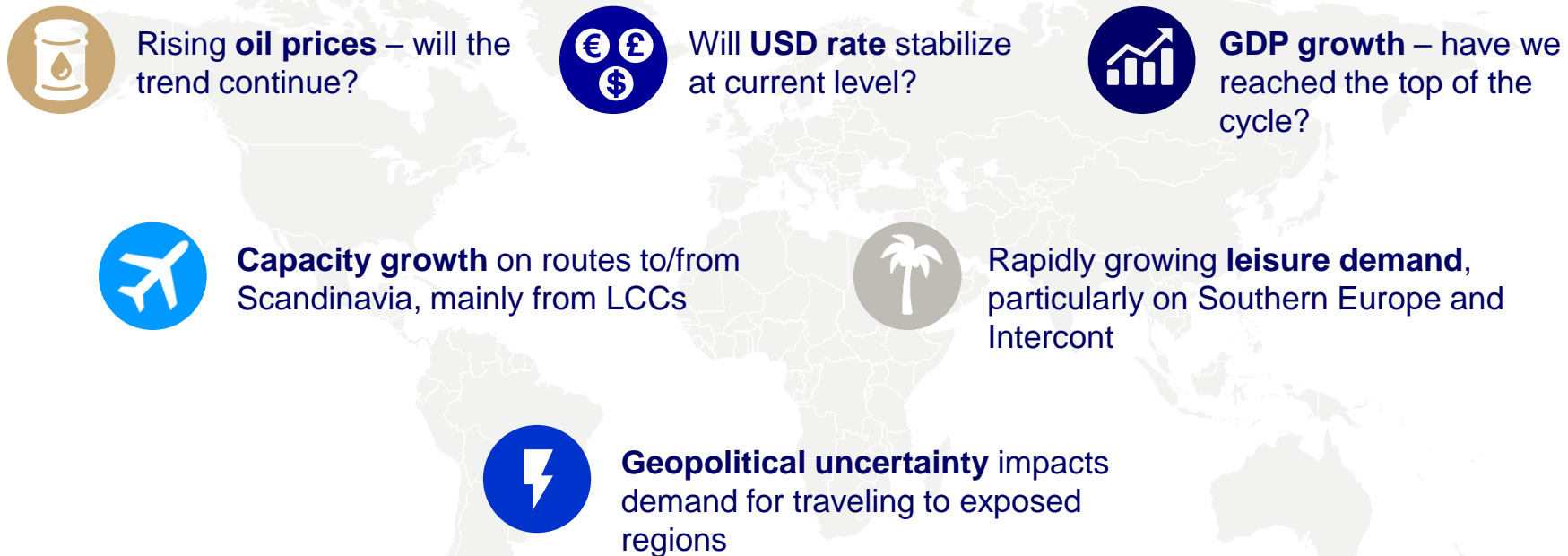
CURRENT DYNAMICS

3

WAY FORWARD



Exposure and sensitivity towards the impact of macroeconomic factors and developments in external environment...



...set the tone, creating a new reality for the entire airline industry



Evolution of business models – customized production platforms & new personnel setups



Digitalization – automation of processes through connecting digital technology, information, customers and employees



Sustainability – need to reduce footprint, providing access to sustainable air transport for future generations



SAS Ireland is designed in a competitive manner and will become an important complement to SAS existing production model

LHR

BASE FULLY
OPERATIONAL

6

AIRCRAFT

~800

DEPARTURES

~100,000

PASSENGERS
TRANSPORTED
SINCE LAUNCH

~200

CREW MEMBERS
– EXTERNALLY
SOURCED

~30

ADMIN
STAFF

**CUSTOMER
SATISFACTION
IN LINE WITH
SK**



Further develop SAS digital capabilities in order to improve operational efficiency and realize strategy

**INTERNET
OF THINGS**

WIFI ONBOARD

SENSOR TECHNOLOGY

REAL TIME BAGAGE
TRACKING

MOBILITY

NEW DISTRIBUTION
CAPABILITIES

CRM & PERSONALIZATION

AI / COGNITIVE COMPUTING
-DIGITAL ASSISTANT

MIGRATION TO CLOUD

OFFICE 365

IPADS TO CREW

FLOOR WALKERS &
MOBILE LOADMASTERS

**EMERGING
TECHNO-
LOGIES**

Aviation's environmental footprint has recently sparked a considerable public debate in media...



...SAS has been working for sustainable aviation future for many years

PHASE IN OF
NEW A330

GREEN
APPROACHES

WINGLETS

DIGITAL
NEWSPAPER
ONLY

PHASE IN OF
NEW A320NEO

DRYWASH
OF
AIRCRAFT

1998

2000

2002

2004

2006

2008

2010

2012

2014

2016

2018

1ST
ENVIRONMENTAL
REPORT

CO₂
COMPENSATION
TOOL

ENGINE
UPGRADE
ON B737NG

LIGHT-
WEIGHT
SEATS

1ST
BIOFUEL
FLIGHT

A young girl with blonde hair and glasses is sitting at a desk in a classroom, looking thoughtful. She is wearing a dark blue shirt. In the background, other students are visible, and there are bookshelves filled with books. The text is overlaid on the image.

TRAVELERS ARE THE FUTURE

**...AND NOW WE WILL ALSO CO₂
COMPENSATE ALL YOUTH
TICKETS :)**

1

FY17 IN RETROSPECTIVE

2

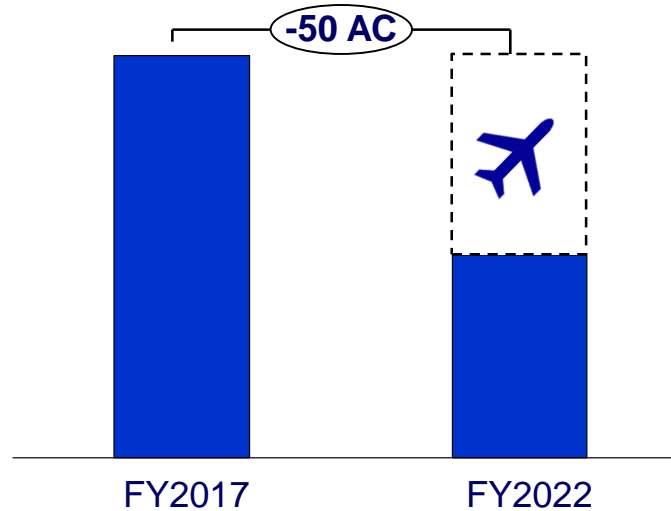
CURRENT DYNAMICS

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WAY FORWARD



A large share of SAS short-haul fleet consists of old technology aircraft that will hit their ageing limits in the coming years...



...without fleet investment short-haul capacity will reduce

We are excited to announce a historical aircraft order that will bring SAS to one type-fleet!



50

A320 NEO (35 FIRM ORDERS + 15 LEASES)



FY19-23

DELIVERY TIMING

ONE TYPE FLEET



SIMPLIFIED CREW & TECHNICAL
MAINTENANCE PLANNING



INCREASED ROBUSTNESS IN
TRAFFIC EXECUTION



ENHANCED & HARMONIZED
CUSTOMER EXPERIENCE

A320neo – innovation where it matters!



HIGH-SPEED WIFI
passengers will enjoy up to 12 Mbps individually



INDIVIDUAL USB CHARGING OUTLETS
allow passengers to charge their handheld devices



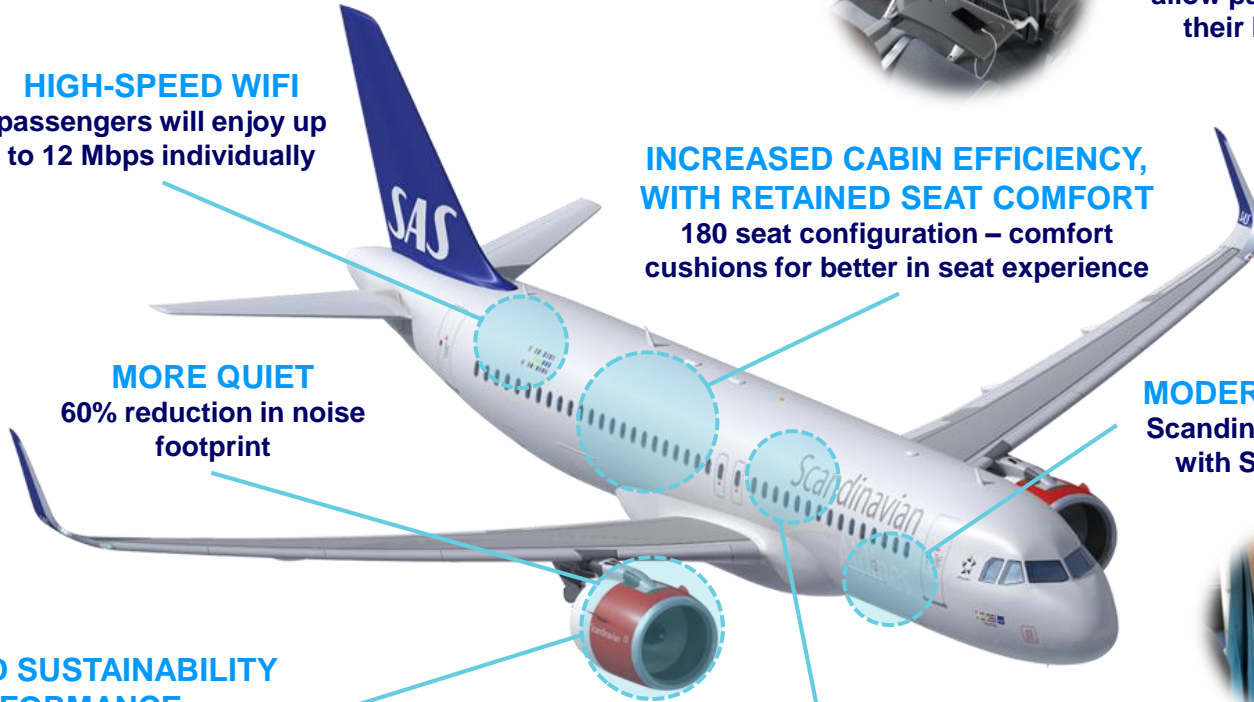
MORE QUIET
60% reduction in noise footprint

INCREASED CABIN EFFICIENCY, WITH RETAINED SEAT COMFORT
180 seat configuration – comfort cushions for better in seat experience

MODERN CABIN DESIGN
Scandinavian touch, aligned with SAS long-haul fleet



IMPROVED SUSTAINABILITY PERFORMANCE
15-20% lower fuel burn
-40% nitrogen oxides emissions



COST EFFICIENCY
10% lower operational cost

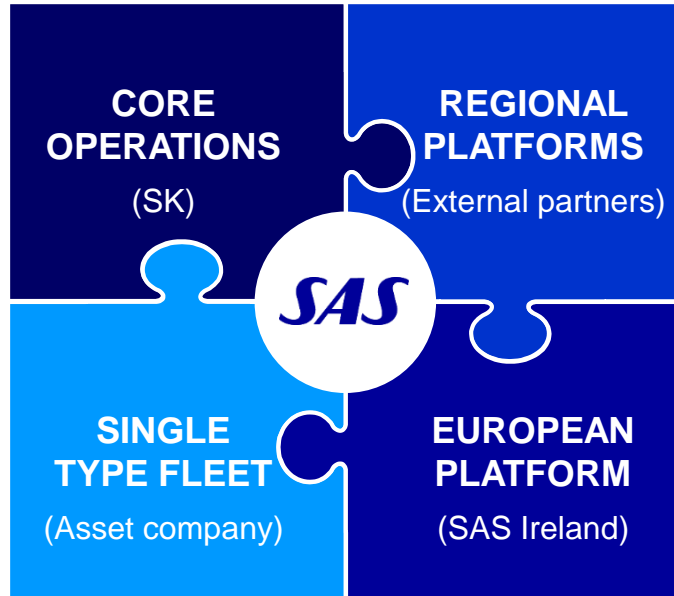
In addition, the order provides SAS with an opportunity for growth

- Growth with aircraft size as new aircraft are phased in
- Option to convert some A320neos to A321LR to enter new markets and strengthen position on long-haul
- Choice to either replace existing aircraft one-to-one or leverage option to grow fleet, depending on the market situation

**Flexible and capital efficient
growth**



We have a clear vision for where we are heading and now we also have the building blocks to future proof SAS beyond 2020



Increased competitiveness

Improved efficiency and product offering



Growth and flexibility

Greater seasonal adjustments and participate in growing markets



Sustainability

A step toward lower emissions for a sustainable future



TRAVELERS ARE THE FUTURE

