



SAS

SCANDINAVIAN AIRLINES SYSTEM

ANNUAL REPORT
1969-1970

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HIGHLIGHTS

		1969/70	1968/69	Change
Available Ton-Kms, total	(mill.)	1,431.5	1,286.9	+ 11 %
Available Ton-Kms, scheduled services	(mill.)	1,371.7	1,239.3	+ 11 %
Revenue Ton-Kms, scheduled services	(mill.)	710.1	658.3	+ 8 %
Total Load Factor, scheduled services	(%)	51.8	53.1	- 1.3 points
Available Seat-Kms, scheduled services	(mill.)	10,534	9,865	+ 7 %
Revenue Passenger-Kms, scheduled services	(mill.)	5,297	4,707	+ 13 %
Passenger Load Factor	(%)	50.3	47.7	+ 2.6 points
Number of Passengers Carried	(000)	5,058	4,588	+ 10 %
Traffic Revenue	(MSKR)	1,478.9	1,366.1	+ 8 %
Net Profit	(MSKR)	88.9	83.3	
Number of Employees as of September 30		14,560	14,466	

AVAILABLE TON-KILOMETERS
Number of tons of capacity available for carriage of passengers, cargo and mail, multiplied by number of kilometers flown.*)

REVENUE TON-KILOMETERS
Total tonnage of paid traffic carried, multiplied by number of kilometers flown.*)

LOAD FACTOR
Percentage of total available capacity utilized (passenger, cargo and mail).

AVAILABLE SEAT-KILOMETERS
Total number of seats available for passengers, multiplied by number of kilometers flown.*)

REVENUE PASSENGER-KILOMETERS
Number of paying passengers carried, multiplied by number of kilometers flown.*)

PASSENGER LOAD FACTOR
Percentage of total passenger capacity actually utilized.

*) Kilometers flown are based on IATA Great Circle distances.

REPORT BY THE BOARD

For the financial year, which ended September 30, 1970, Scandinavian Airlines System recorded a net profit of 88.9 Million Swedish Crowns (MSKR) compared with MSKR 83.3 for 1968/69.

The SAS accounts cover all activities of the Consortium and its subsidiaries.

Total revenue increased to MSKR 1990 (1786¹⁾), or by 11 per cent. Expenses (excluding depreciation) rose 12 per cent to MSKR 1733 (1548). Depreciation amounted to MSKR 168, an increase of MSKR 14 over last year.

The result of the financial year 1969/70 and the financial status of the Consortium at the end of the year are presented in the Consolidated Profit and Loss Statement and Balance Sheet in this report.

The Board submits to the Assembly of Representatives that MSKR 44.45 be paid to the Parent Companies and the same amount be retained by SAS for consolidation purposes and credited to the capital accounts of the Parent Companies.

The profitability level of the scheduled airlines of the world – always under pressure from declining unit prices and rising costs – was in the past year also adversely affected by a slight weakening of traffic growth. This general situation was indeed felt by SAS and aggravated by special adverse factors such as extensive technical modifications on flight equipment and the replacement of a lost DC-8-62 aircraft through a temporary lease of DC-8-55 capacity.

The result of the year, relatively satisfactory under the circumstances, was achieved due to high emphasis on marketing, especially passenger sales, strict control over all costs, in particular personnel costs, and investments, and devoted work by all concerned. The increase in the number of employees over the past year was limited to 0.7 per cent.

The current year will certainly confront the aviation industry with no less severe problems than the past year. The times ahead are times of challenge and will require foresighted planning, firm actions and hard work.

The Board feels confident that SAS, with its modern fleet and its experienced staff will live up to the challenge and carry out the mission entrusted to it by the Scandinavian countries, combining a progressive spirit with realism and financial soundness.

¹⁾ Figures for 1968/69 within brackets.

Fleet

AIRCRAFT FLEET AND ORDERS	Operated at Sep.30,1970	On order for delivery during		
		1970/71	1971/72	1972/73
Boeing 747-B		1	1	
DC-8-63	5			
DC-8-62	7 ¹⁾	1 ²⁾		
DC-8-55	2			
DC-8-33	2 ³⁾			
DC-9-41	18 ⁴⁾	1	2	3
DC-9-33AF	2			
DC-9-21	10			
Caravelle SE-210	15 ⁵⁾			
Metropolitan CV-440	10			
	71	3	3	3

- 1) 2 in combined version (CF)
- 2) Cargo version (AF)
- 3) Leased to Scanair
- 4) 2 leased to THAI International
- 5) 2 leased to THAI International

During the year eight more DC-9-41 aircraft were added to the fleet, two of which were leased to THAI International. A fifth DC-8-63, three more DC-8-62s, one of which a convertible passenger-cargo aircraft, and a DC-9-33 all-freighter were also delivered during the year.

In the next three financial years, ending September 30, 1973, nine more aircraft will be added to the SAS fleet. These include six DC-9-41 aircraft, one DC-8-62 AF (all-cargo) and two Boeing 747-B aircraft, one of which will be delivered in February and one in December, 1971. In a seven year period running through 1972/73, SAS will have invested over US \$ 400 million in new flight equipment representing an average annual investment of close to US \$ 60 million.

At the time of this report pilot training for the Boeing 747-B is well under way. The inauguration flight on the route between Copenhagen and New York will take place in April, 1971. For the Boeing 747, SAS together with most carriers operating this aircraft have adopted a nine-abreast seating.

During the year the first DC-10 manufactured by the McDonnell Douglas Corporation was rolled out at the plant in Long Beach, California, and started its flight test program. As stated in the report for 1968/69 SAS has made arrangements for options of purchase and reservations of delivery positions for eight DC-10-30s during 1974-76.

A DC-8-62 was destroyed by fire during the initial stage of a take-off in Rome on April 19, 1970. Efficient evacuation procedures and crew performance prevented serious injuries among the 75 passengers and crew on board. The accident was caused by a manufacturing defect in a fan stage disc in one engine. The manufacturer has subsequently taken required precautionary action. A Fokker F-27, operated by Icelandair and leased from SAS, was destroyed on approach to the Faroe Islands on September 26, 1970.

Production and traffic

TOTAL PRODUCTION AND TRAFFIC Scheduled services	Total system	Intercontinental	Europe & M. East	Domestic routes
Available Ton-Kms (mill.)				
1969/70	1,372	835	390	147
1968/69	1,239	765	352	122
Increase %	+ 10.7	+ 9.1	+ 10.7	+ 20.8
Distribution %	100.0	60.9	28.4	10.7
Revenue Ton-Kms (mill.)				
1969/70	710	451	183	76
1968/69	658	425	165	68
Increase %	+ 7.9	+ 6.1	+ 10.9	+ 11.5
Distribution %	100.0	63.5	25.8	10.7
Load Factor (%)				
1969/70	51.8	54.0	46.9	51.6
1968/69	53.1	55.5	46.9	55.9

SAS' network covers 92 cities in 48 countries. During the year 1969/70 SAS carried over 5,000,000 passengers, an increase of 10 per cent compared with the previous year.

In 1969/70 SAS' total production, measured in available ton-kilometers, was 11 per cent above the previous year. The expansion of capacity was seven per cent on the North American routes and 13 per cent on the Far East routes. On the routes serving Europe and Middle East capacity increased by 11 per cent and on the domestic routes by 21 per cent.

Scheduled traffic, measured in revenue ton-kilometers, was eight per cent above last year. The growth rate was affected by a stagnation during the year in the development of cargo traffic. As a result, the overall load factor dropped 1.3 points to 51.8 per cent. The load factor on the domestic routes in Denmark, Norway and Sweden decreased by 4.3 points to 51.6 per cent and on the North Atlantic services by 2.8 points to 55.6 per cent. However, on the Far East services the load factor rose by 3.1 points to 54.0 per cent.

Like other airlines, SAS has experienced a decline of profitability in the North Atlantic area. The three Far East Services – Trans-Asia, Trans-Orient and Transpolar – assumed greater economic importance for SAS.

Passenger

In 1969/70 passenger capacity in available seat-kilometers increased seven per cent and revenue passenger kilometers rose 13 per cent. Far East revenue passenger kilometers showed an increase of 26 per cent, North America 12 per cent, Europe and Middle East 10 per cent, and domestic 11 per cent. The system-wide cabin factor increased to 50.3 per cent, 2.6 points above the previous year. This satisfactory development was mainly due to a strong traffic during the latter part of the year, bringing the cabin factor up to the level of two years ago. However, average passenger unit revenue showed a decline of four per cent compared to 1968/69.

The highest cabin factors were shown on the services between Scandinavia and Great Britain/Ireland, Switzerland, Germany, France, Netherlands and Greenland and on the domestic services in Denmark and Norway.

To improve passenger facilities at Copenhagen Airport – used by 6.4 million passengers in 1970, compared to 5.8 million in 1969 – a third "finger" was opened in the international building. This increased passenger gates from 24 to 34 positions and provided space for handling two Boeing 747s.

The passenger handling situation in Stockholm was improved with the inauguration of a new station building for domestic jets at Arlanda Airport.

Cargo and mail

The cargo capacity offered by SAS in 1969/70 was 17 per cent bigger than in 1968/69, however, measured in revenue freight ton-kilometers, cargo traffic remained

unchanged compared to last year. In 1968/69 air freight had increased by 44 per cent. A contributory reason for that growth had been an exceptionally heavy demand over the North Atlantic due to a harbor strike in the USA.

The introduction of a DC-8-62 convertible aircraft on the routes to Canada and the US Midwest, to the US West Coast and to Japan significantly increased cargo capacity between these destinations and Scandinavia. In Europe, introduction of twin-jet DC-9 freighters increased all-cargo capacity more than 50 per cent. The new DC-8 and DC-9 passenger aircraft, with their sizable cargo compartments, also contributed to the increase in cargo capacity. With this fleet and the additional equipment on order – including a DC-8-62 all-cargo aircraft – SAS will be well equipped to take part in the predicted air cargo expansion.

Two new destinations, Birmingham and Manchester, were included in the DC-9 cargo route net from November 1, 1970.

A new cargo marketing organization was established in 1969/70 to achieve greater efficiency in this field. SAS also opened a cargo terminal in Chicago and entered into an agreement with Japan Air Lines for the joint construction of a modern cargo terminal at John F. Kennedy Airport, New York, providing SAS with a handling area of 9,400 m². The capacity of the Copenhagen Air Cargo Center was increased by 80 per cent. The Center handled 110,000 tons of cargo and employed 246 persons at the end of the financial year.

Air mail in ton-kilometers rose two per cent in 1969/70, slightly less than expected because of a slackening trend on the European routes. Domestic mail carriage exceeded expectations.

Network and air traffic negotiations

A new intercontinental route to Bridgetown, Barbados, and Port of Spain, Trinidad/Tobago, was opened in November, 1969 and operated during the tourist season until June, 1970. The traffic was resumed on October 31, 1970.

In Norway, jet flights were extended over nearly the entire domestic network. The Lakselv Airport on the SAS network in Norway is the northernmost airport in Europe regularly served by jets. During the year, all

SAS domestic passenger flights in Sweden were switched to jet operations.

In 1969/70 SAS has assisted in strengthening Widerøe Flyveselskap A/S, a local-service carrier operating small aircraft in western and northern Norway, through financial participation together with other interests.

Negotiations were concluded with Japan and the USSR regarding a Trans-Siberian service linking Scandinavia and Japan, with flights scheduled to start in the spring of 1971.

Maintenance facilities

At Kastrup Airport, Copenhagen, a hangar accommodating one Boeing 747-B and one DC-8 will be ready in April, 1971. Internal floor dimensions are 110×72 m and the door height is 23 m. A new workshop and storage building of 5,000 m² will be available by September, 1971.

At Fornebu Airport, Oslo, a new hangar with a 65×80 m floor was opened in October, 1969. If necessary, the hangar can easily be extended for the Boeing 747-B.

At Arlanda Airport, Stockholm, the service workshop, which so far has been located within the hangars, will be moved to a new 5,000 m² building in April, 1971. The move makes available hangar space for two more DC-8s. In Stockholm the Linta engine overhaul workshop has been expanded to take care of the overhaul of the Boeing 747-B engines for KLM, Swissair and SAS. In this connection, an engine test facility has been installed, which will start operation in March, 1971. In the facility, engines capable of supplying up to 45 ton thrust – twice as powerful as the present 747 engine – can be tested.

Cooperation with other companies

A 10-year cooperation agreement among KLM, SAS, Swissair and UTA (KSSU) was signed in February, 1970, effective through December 31, 1980, as an expansion of the earlier KSS (KLM, SAS and Swissair) group. The cooperation primarily concerns technical and operational activities relating to the Boeing 747-B, DC-10-30 and any further aircraft types, which the partners may acquire for their operations. Within the scope of the cooperation fall evaluation and standardization of flight and ground equipment, exchange of overhaul and maintenance services including the pooling of spare parts, joint use of training facilities, etc.

A Boeing 747-B flight simulator has been installed at Schiphol Airport, Amsterdam. The 10-ton simulator, named "Nils Holgersson" and representing an investment of MSKR 16, will render training procedures more efficient, while at the same time significantly reducing the need for actual flying time for training purposes.

In the spring of 1970, SAS entered into a new Shareholders Agreement with Thai Airways Co. Ltd. (TAC), the main shareholder in Thai Airways International Ltd. (THAI), and a new Cooperation Agreement with THAI. The agreements, which have a validity of seven years as from April 1, 1970, replace the agreement covering the first 10 years of cooperation. The share capital of THAI – 70 per cent owned by TAC and 30 per cent by SAS – was increased in 1969/70 from 40 million baht (equal to MSKR 10) to 100 million baht (equal to MSKR 25). During the year three DC-8-33 aircraft were transferred to THAI. Another DC-8-33 aircraft was also transferred to THAI before the end of 1970. In 1969/70 THAI returned three leased Caravelle aircraft to SAS. THAI passenger capacity increased 33 per cent in 1969/70, while passenger traffic rose 40 per cent, resulting in a 62.1 per cent cabin factor.

Scanair, a charter consortium owned by the parent companies of SAS, flew 655,000 passengers in 1969/70. A significant capacity increase was made possible by the fact that three Boeing 727s, formerly owned by Transair, were leased by Scanair.

Linjeflyg AB, the Swedish domestic airline owned jointly by SAS and ABA, continued to expand during 1969/70. Now serving 21 airports over a 6,700 km network, Linjeflyg increased capacity 25 per cent and revenue ton-kilometers by 15 per cent. The year's profit after depreciation, provision to investment fund and taxes amounted to MSKR 0.9.

Greenlandair increased overall traffic by 20 per cent in 1969/70. SAS owns 25 per cent of the regional airline.

SAS Catering A/S, wholly-owned by SAS, increased its gross income from MSKR 124.5 to 153.3, a growth of 23 per cent. At Expo 70 in Osaka SAS Catering successfully operated a restaurant at the Scandinavian Pavillion for six months.

SAS-Invest A/S, another wholly-owned subsidiary, owns and operates the Royal Hotel in Copenhagen. During the year, SAS-Invest marked its 10th year of

business. The hotel maintained a 92 per cent room occupancy rate.

On June 15th SAS acquired Nyman & Schultz/Nordisk Resebureau AB, one of Europe's largest travel agencies.

Hotel activities

The Board has deemed the Consortium's participation in hotel activities necessary in order to provide sufficient hotel capacity for the increasing number of air travelers destined for Scandinavia.

SAS is currently engaged in the construction of a hotel of international standard in Oslo, the SAS Royal Hotel, scheduled for inauguration in the spring of 1975. Furthermore, SAS is participating in a new hotel project in Copenhagen, Hotel Scandinavia, due to open in the spring of 1973. In Bodö, Norway, SAS will operate another SAS Royal Hotel as from April, 1971.

During the year, SAS also decided to build another hotel of the Globetrotter type near Fornebu Airport, Oslo, which will start operations in April, 1971. The first hotel of this type was built at Kastrup Airport, Copenhagen.

Scheduled for opening early in 1971 is a hotel in downtown Stockholm, constructed by the Sheraton Hotel Corporation of America, with a limited SAS financial participation.

In order to coordinate SAS hotel activities, an SAS Hotel Division was established during the year.

Training

During the year, SAS stepped up training in various fields. SAS' second DC-9-41 flight simulator was delivered. It is equipped with a new visual simulation system.

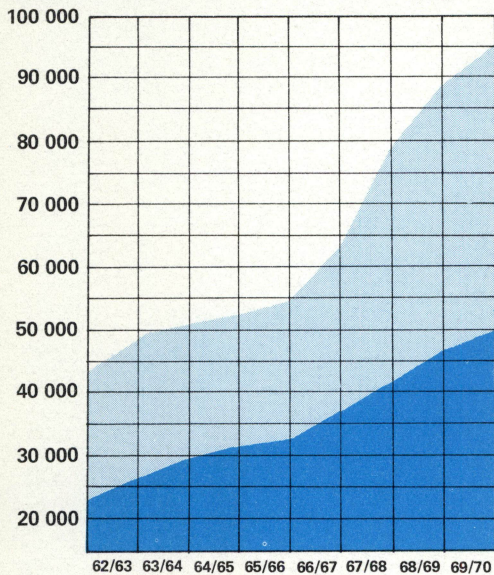
A more flexible maintenance training organization is being introduced. The new arrangement will permit SAS to issue maintenance certificates on behalf of the authorities.

Courses conducted by the Sales and Station Training School in Copenhagen during the 1969/70 training season were attended by 1,107 SAS students.

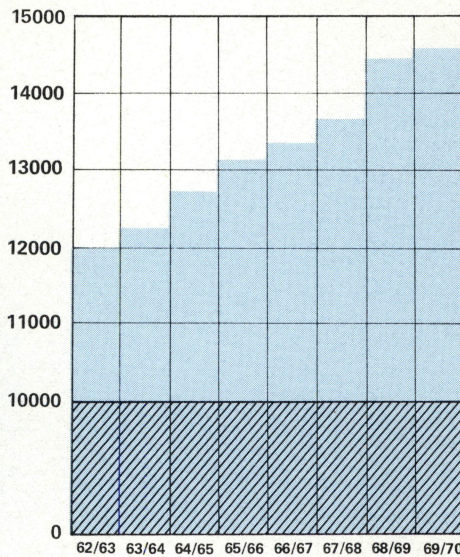
A total of 135 candidates were graduated from the new Air Hostess College at Sandefjord, Norway, which was opened in January, 1970 and replaces previous hostess training programs held separately in Copenhagen, Oslo and Stockholm.

PRODUCTION AND TRAFFIC PER EMPLOYEE

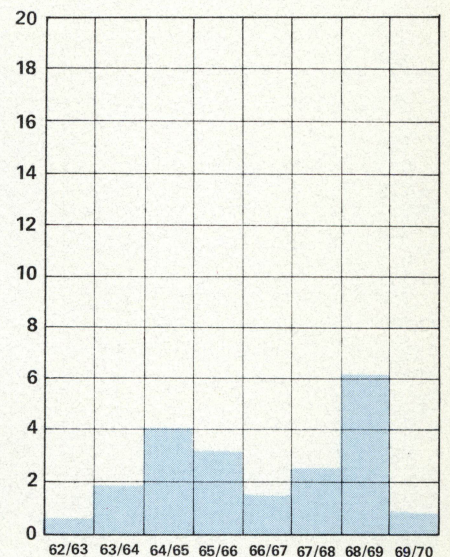
■ Production (avail. ton-kms) per employee
■ Traffic (revenue ton-kms) per employee



NUMBER OF EMPLOYEES AS OF SEP. 30 EACH YEAR



ANNUAL INCREASE OF EMPLOYEES IN % AS OF SEP. 30



	Cockpit Personnel			Cabin Personnel			Other Personnel			Total Personnel		
	1970	1969	1968	1970	1969	1968	1970	1969	1968	1970	1969	1968
Denmark	370	357	333	739	637	480	3,955	3,935	3,581	5,064	4,929	4,394
Norway	353	348	326	288	333	304	1,949	1,933	1,908	2,590	2,614	2,538
Sweden	530	551	545	321	335	364	2,539	2,431	2,263	3,390	3,317	3,172
Head Office	—	—	—	—	—	—	921	933	970	921	933	970
Abroad	—	—	—	27	18	14	2,568	2,655	2,531	2,595	2,673	2,545
Total	1,253	1,256	1,204	1,375	1,323	1,162	11,932	11,887	11,253	14,560	14,466	13,619

Personnel

Excluding subsidiaries the staff at the end of the financial year was 14,560, an increase of 94 over last year.

The Board takes this opportunity to express its ap-

preciation to all SAS personnel whose enthusiasm and devotion contributed to the successful management of SAS affairs during a difficult year for the air transportation industry.

Copenhagen, Oslo and Stockholm, January, 1971

M. WALLENBERG

JENS CHR. HAUGE

HALDOR TOPSØE

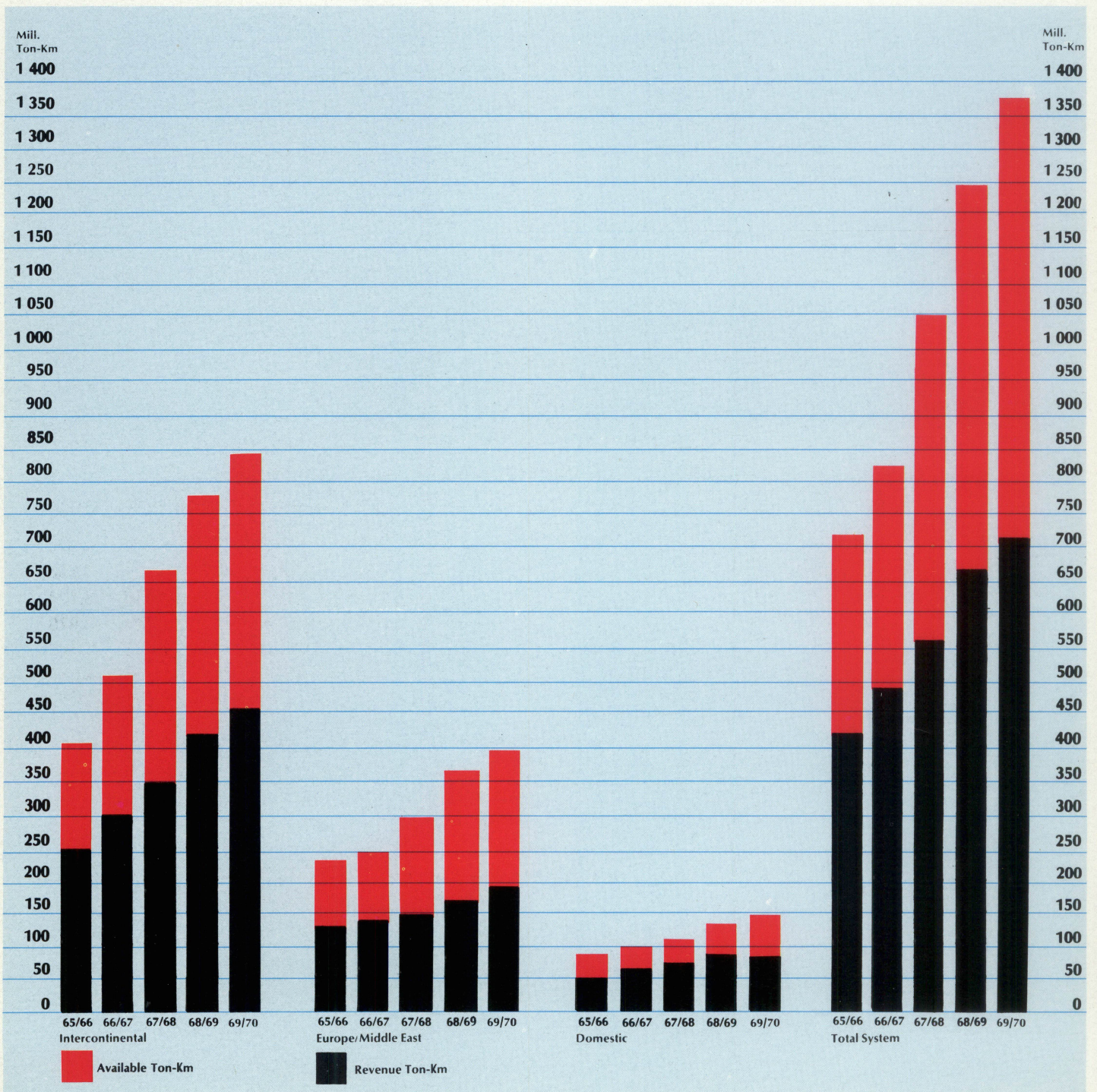
PER ÅSBRINK

PER M. BACKE

PALLE CHRISTENSEN

KNUT HAGRUP

President



CONSOLIDATED PROFIT AND LOSS STATEMENT

October 1, 1969–September 30, 1970
(including wholly-owned subsidiary companies)

INCOME (in millions of Swedish Crowns)	1969/70		1968/69	
Traffic revenue	1,478.9		1,366.1	
Other operating revenue (Note 1)	<u>420.1</u>	1,899.0	<u>336.9</u>	1,703.0
Financial income		31.5		16.7
Other income		8.3		24.4
Income from sale and retirement of flight equipment, etc. (Note 2)		<u>50.8</u>		<u>41.5</u>
		<u>1,989.6</u>		<u>1,785.6</u>
EXPENSES (in millions of Swedish Crowns)				
Operating expenses		1,570.5		1,397.5
Administrative expenses		58.3		55.7
Financial expenses		77.2		53.7
Other expenses		26.8		41.4
Depreciation (Note 3)		167.9		154.0
Net profit (Note 4)		<u>88.9</u>		<u>83.3</u>
		<u>1,989.6</u>		<u>1,785.6</u>

"Notes to Financial Statements" on pages 12–14 refer to the above Profit and Loss Statement.

Copenhagen, Oslo and Stockholm, January, 1971

M. WALLENBERG
PER. ÅSBRINK

JENS CHR. HAUGE
PER M. BACKE

KNUT HAGRUP
President

/C. E. Lindh

HALDOR TOPSØE
PALLE CHRISTENSEN

CONSOLIDATED BALANCE SHEET

September 30, 1970
(including wholly-owned subsidiary companies)

ASSETS (in millions of Swedish Crowns)	Sep. 30, 1970		Sep. 30, 1969 (Note 5)	
Aircraft (Note 6)				
At cost	1,496.6		1,299.8	
Depreciation and valuation reserves	<u>438.9</u>	1,057.7	<u>439.2</u>	860.6
Spare engines and spare parts (Note 6)				
At cost	318.4		294.5	
Depreciation and valuation reserves	<u>159.5</u>	158.9	<u>141.5</u>	153.0
Advance payments on flight equipment and simulators on order		111.0		115.6
Buildings and land (Note 7)				
At cost	116.6		100.2	
Depreciation and valuation reserves	<u>32.4</u>	84.2	<u>26.5</u>	73.7
Workshop and aircraft servicing equipment				
At cost	60.0		53.0	
Depreciation and valuation reserves	<u>43.5</u>	16.5	<u>39.5</u>	13.5
Other equipment and vehicles				
At cost	128.0		110.0	
Depreciation and valuation reserves	<u>85.1</u>	42.9	<u>72.0</u>	38.0
Discount on debenture loans		3.6		3.9
Shares and bonds (Note 9)		17.0		11.9
Long-term accounts receivable and prepayments		21.5		20.0
Shop work in progress		1.4		1.5
Sundry stores		56.8		41.4
Short-term accounts receivable and prepayments		268.6		230.2
Cash and bank balances, including short-term cash investments		<u>422.1</u>		<u>287.6</u>
		<u>2,262.2</u>		<u>1,850.9</u>

"Notes to Financial Statements" on pages 12-14 refer to the above Balance Sheet.

LIABILITIES (in millions of Swedish Crowns)	Sep. 30, 1970		Sep. 30, 1969 (Note 5)	
Capital (Note 10)				
ABA (3/7)	237.8		220.0	
DDL (2/7)	158.5		146.6	
DNL (2/7)	158.5	554.8	146.6	513.2
Net profit		<u>88.9</u>		<u>83.3</u>
Subordinated debentures		157.5		157.5
Mortgage loans		24.0		25.0
Danish Government loan		0.8		1.5
Loans in USA (Note 11)		262.8		79.2
Manufacturer's credit on flight equipment		413.1		396.5
Other long-term liabilities		32.2		24.2
Short-term liabilities (Note 12)		711.6		554.0
General valuation reserve		16.5		16.5
		<u>2,262.2</u>		<u>1,850.9</u>
Contingent liabilities and guarantees		17.0		28.9
Furthermore, SAS has assumed certain liabilities in respect of pensions, and in connection with ticket sales according to pay-later plans				
Pledges (Note 13)				
Mortgages on real estate		27.3		28.6
Sundry pledges		3.6		3.9
		<u>30.9</u>		<u>32.5</u>

Copenhagen, Oslo and Stockholm, January, 1971

M. WALLENBERG
PER ÅSBRINK

JENS CHR. HAUGE
PER M. BACKE

HALDOR TOPSØE
PALLE CHRISTENSEN

KNUT HAGRUP

President /C. E. Lindh

The above Profit and Loss Account and Balance Sheet are in accordance with the books of the Consortium, which have been examined by the undersigned Auditors, as set forth in our Auditor's Report dated January, 1971.

Stockholm, January, 1971

VIKING BERGMAN
Authorized Public Accountant

CENTRALANSTALTEN FOR REVISION
CARL JOHAN THORSEN
Authorized Public Accountant

CHRISTIAN BLOM
Authorized Public Accountant

STEN NACKSTAD
Authorized Public Accountant

HUGO ENGMANN

TOR STORHAUG
Authorized Public Accountant

NOTES TO FINANCIAL STATEMENTS

Note 1 — Other operating revenue

"Other operating revenue" in the profit and loss statement, comprises revenue from sundry activities, such as shop work, ground handling, interline sales, etc., performed for other airlines, income from sale on board and in gateway stores, as well as revenue earned by the wholly-owned subsidiaries SAS Catering A/S, SAS-Invest A/S and Nyman & Schultz/Nordisk Resebureau AB from customers other than SAS.

Note 2 — Sale and retirement of flight equipment, etc.

"Income from sale and retirement of flight equipment, etc." includes the gain on sale of one DC-8-55F, three DC-8-33 and three Metropolitan aircraft. One Caravelle aircraft, held under a purchase/resale contract, has been returned to the manufacturer with the book value of the aircraft off-setting the remaining liability.

This item also includes the excess of insurance value over book value, etc., for the DC-8-62 aircraft destroyed on ground in Rome in April, 1970, MSKR 17.4.

Note 3 — Depreciation

Ordinary depreciation charges are apportioned as follows (MSKR):

	1969/70	1968/69
Aircraft, spare engines and spare parts	143.0	124.3
Buildings, etc.	4.8	4.9
Ground equipment and vehicles	20.1	17.1
	<u>167.9</u>	<u>146.3</u>

Note 4 — Income taxes

The accounts of SAS, except for subsidiaries, contain no provision for corporate income taxes in Denmark, Norway and Sweden, such liability resting upon the Parent Companies of SAS.

Note 5 — Balance sheet as per September 30, 1969

A regrouping of certain items has been made in the balance sheet as of September 30, 1969, in order to meet the presentation in the balance sheet as of September 30, 1970.

Note 6 — Aircraft, spare engines and spare parts

Changes during the year in total acquisition value and total depreciation and valuation reserves of aircraft, spare engines and spare parts are specified below (MSKR):

<u>Acquisition value</u>	<u>Total</u>
As of Sep. 30, 1969	1,594.3
DC-8 and DC-9 flight equipment delivered in 1969/70	
Prepayments etc. made before Oct. 1, 1969	67.4
Investments during 1969/70	<u>358.0</u>
Other flight equipment	
Investments during 1969/70	7.7
Flight equipment sold and retired in 1969/70, etc.	<u>./212.4</u>
As of Sep. 30, 1970	<u>1,815.0</u>
<u>Depreciation and valuation reserves</u>	
As of Sep. 30, 1969	580.7
Depreciation 1969/70	143.0
Accrued depreciation on flight equipment sold and retired in 1969/70, etc.	<u>./125.3</u>
As of Sep. 30, 1970	<u>598.4</u>

Note 7 — Buildings

Investments in buildings and land during the year amounted to MSKR 15.1. This includes investments in the Globetrotter Hotel in Copenhagen and Oslo, MSKR 6.5, owned by SAS Catering A/S, and in the SAS Royal Hotel in Oslo, MSKR 2.7, owned by the subsidiary SAS Royal Hotel A/S.

Note 8 — Insurance values

As of September 30, 1970, flight equipment and other physical assets of SAS were insured as follows (MSKR):

	1970	1969
Aircraft	1,446.8	1,421.6
Spare engines, spare parts and technical stores	393.3	408.6
Building, etc.	167.1	149.2
Workshop and aircraft servicing equipment and tools	72.1	64.9
Other equipment, vehicles and sundry stores	<u>164.9</u>	<u>146.2</u>
	<u>2,244.2</u>	<u>2,190.5</u>

Note 9 — Shares

The item "Shares and bonds" includes shares in the amount of MSKR 4.35 in Linjeflyg AB and MSKR 7.5 in Thai International.

Note 10 — Capital

The capital of SAS was increased in 1969/70 by MSKR 41.6, retained by SAS out of the profit for the year 1968/69, and amounts to MSKR 554.8, excluding the profit for the year 1969/70. The capital includes statutory reserves and retained earnings in the subsidiaries.

Note 11 — Loans in USA

As of September 30, 1970, the loans from insurance companies in the United States amounted to US\$ 7.2 million.

In the course of the year US\$ 31.0 million have been drawn and US\$ 1.5 million amortized under the loan agreements entered into in 1968 for the financing of two Boeing 747 aircraft with spare engines and spare parts and nine DC-9-41 aircraft. As of September 30, 1970, these loans amounted to US\$ 37.9 million. Other borrowing in the United States during the year amounted to US\$ 16.0 million with US\$ 15.2 million outstanding on September 30, 1970.

As for other long-term liabilities, current maturities of "Loans in USA", amounting to US\$ 9.5 million at the end of the financial year, are included under "Short-term liabilities" in the balance sheet.

Note 12 — Short-term liabilities

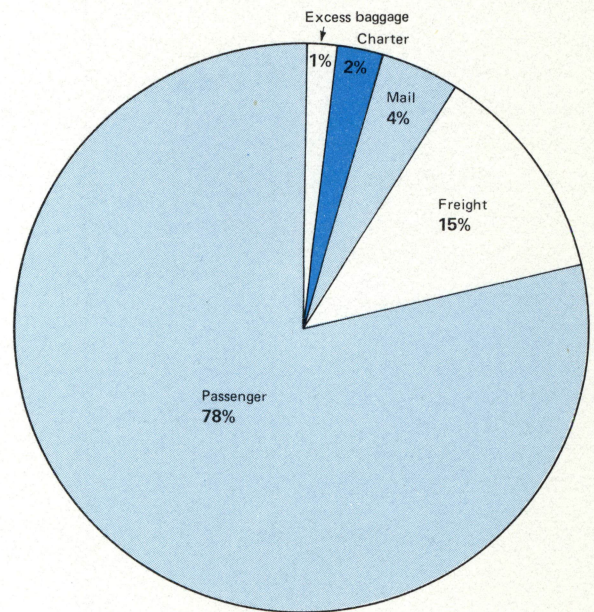
Current maturities of long-term liabilities, totalling MSKR 149.6 at the end of the financial year, are included under "Short-term liabilities" in the balance sheet.

For practical reasons, the various clearing accounts for traffic revenue are, as hitherto, included as a net balance in the item "Short-term liabilities".

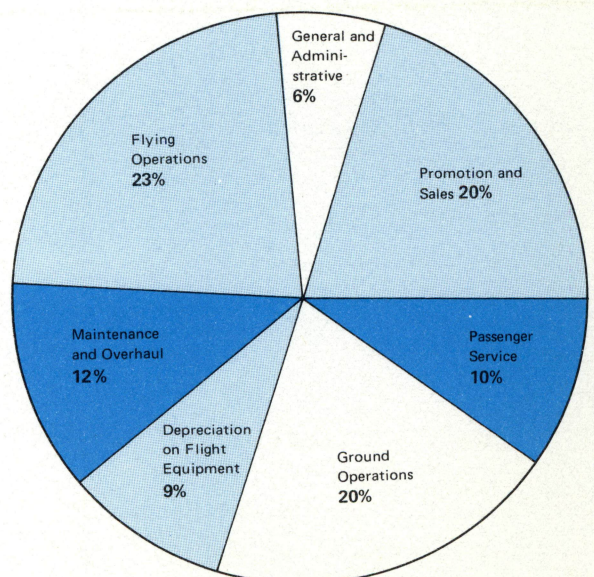
Note 13 — Pledges

The item "Pledges" includes collateral for the mortgage loans raised by SAS-Invest A/S.

SAS Traffic Revenue 1969/70



Operating expenses incurred in SAS transportation services 1969/70



FUNDS STATEMENT (in millions of Swedish Crowns)

(Including wholly-owned Subsidiary Companies except for Nyman & Schultz/Nordisk Resebureau AB, which was acquired during 1969/70).

Source of funds	1969/70	1968/69	1967/68	1966/67
Net profit	88.9	83.3	86.1	84.0
Depreciation	167.9	154.0	103.7	92.4
Book value of assets sold and retired	80.0	71.5	3.7	9.0
Other (net)	- 0.7	- 0.3	- 1.1	- 3.8
From operations	336.1	308.5	192.4	181.6
New capital from Parent Companies		70.0		
Manufacturer's credit and borrowing for flight equipment	387.1	257.9	250.9	106.7
Other borrowing, etc.	5.7	15.2	3.5	5.8
Short-term liabilities	82.8	40.7	32.6	48.1
Other	16.1			
Sub-total	827.8	692.3	479.4	342.2
Use of funds				
Aircraft, spare engines, spare parts	365.7	337.0	376.2	163.5
Prepayments on aircraft and flight simulators	67.4	100.3	51.0	58.3
Buildings, etc.	15.1	13.4	12.9	5.2
Other equipment, supplies, etc.	25.6	21.6	20.0	27.1
Shares	6.5	2.8	1.4	0.7
Total investments	480.3	475.1	461.5	254.8
Accounts receivable and prepayments, etc.	35.4	32.5	31.6	23.2
Amortization on long-term debt	135.9	110.9	44.7	20.2
Paid to Parent Companies out of last year's profit	41.7	43.0	42.0	13.0
Sub-total	693.3	661.5	579.8	311.2
Change in cash and bank balances (including short-term cash investments)	+ 134.5	+ 30.8	- 100.4	+ 31.0

INVESTMENTS IN FLIGHT EQUIPMENT

	No. of aircraft		Amounts (in millions of Swedish Crowns)			
	Delivered	On order	Deliveries 1966/67 - 1969/70	Advance payments Sep. 30, 1970	To be paid 1970/71 - 1972/73	Total
DC-8-63	5	-	640.1	9.5	54.9	704.5
DC-8-62	7	1				
DC-9-41	18	6	690.7	16.6	156.8	864.1
DC-9-33	2	-				
DC-9-21	10	-				
B-747-B	-	2	-	84.9	349.3	434.2
TOTAL	42	9	1,330.8	111.0	561.0	2,002.8

AUDITOR'S REPORT

We, the undersigned, appointed in accordance with Article 11 of the Consortium Agreement between AB Aerotransport (ABA), Det Danske Luftfartselskab A/S (DDL) and Det Norske Luftfartselskap A/S (DNL) as auditors of

SCANDINAVIAN AIRLINES SYSTEM
Denmark – Norway – Sweden

having completed our assignment, herewith submit to the Parent Companies our report for the financial year October 1, 1969 – September 30, 1970.

We have examined the Annual Report, which includes the subsidiary companies. To the required extent we have studied the accounting records, minutes and other documents which give information about the economy and administration of the Consortium and have, moreover, taken those measures of inspection which we have considered necessary.

The Internal Auditing Department of SAS, acting in accordance with instructions approved by us, has con-

ducted a continuous check of the accounting records of the Consortium and we have, in the course of the financial year and in connection with the closing of the accounts, received reports on the examination thus conducted.

The accounting records are properly kept.

As is seen from the Report for the financial year there is declared, after depreciation, a net profit of 88.9 million Swedish Crowns, out of which 44.45 million Swedish Crowns are proposed to be paid out to the Parent Companies.

We recommend that the Annual Accounts as of September 30, 1970, which have been submitted and which have been signed by us, be adopted, and that the Members of the Board and the President be discharged from responsibility for their administration in respect of the financial year.

Stockholm, January, 1971

VIKING BERGMAN
Authorized Public Accountant

CENTRALANSTALTEN FOR REVISION
CARL JOHAN THORSEN
Authorized Public Accountant

CHRISTIAN BLOM
Authorized Public Accountant

STEN NACKSTAD
Authorized Public Accountant


HUGO ENGMANN

TOR STORHAUG
Authorized Public Accountant









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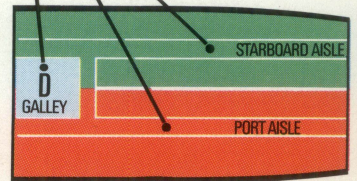
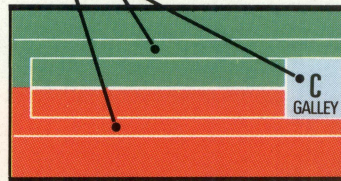
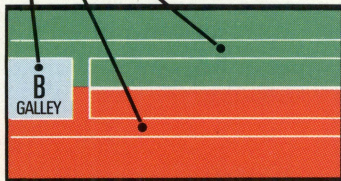
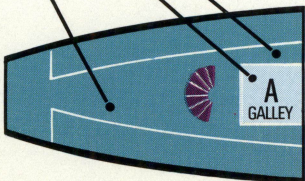
 PURSER
Overall supervision

    **First Class**
32 seats

   **Economy Class**
107 seats

   **Economy Class**
107 seats

   **Economy Class**
107 seats





5



6

1 SAS' 353-seat 747-B offers economy passengers more comfort and freedom of movement through its twin-aisle seating arrangement in the 20-foot wide cabin.

2 Huge – the mythological figure who could run faster than sound – gave his name to SAS' first 747-B.

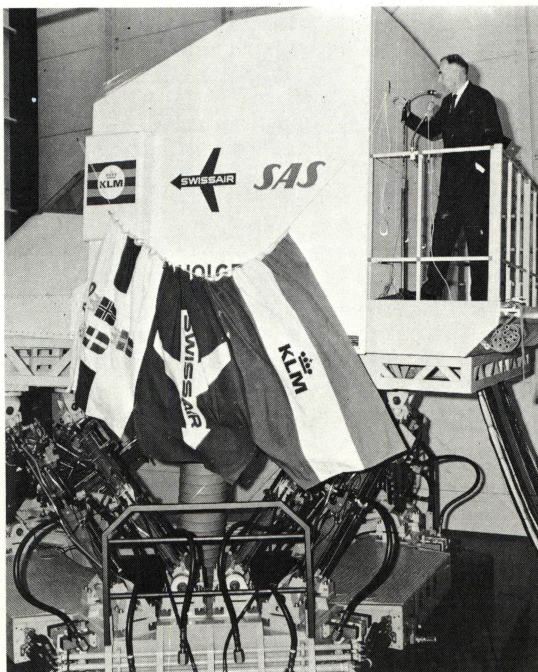
3 Selected delicacies from the "smörgåsbord" are among the gourmet dishes served in first class.

4 For efficiency and accessibility, economy class is divided into three separate service sections – each with its own service group.

5 Finalizing the KSSU agreement are (from left to right) KLM Deputy President F. Besançon, Swissair Deputy President Armin Baltensweiler, SAS President Knut Hægrop, UTA Chairman and President Francis C. Fabre and SAS Executive Vice President Björn Törnblom.

6 The combined emblems of the KSSU group.

7–8 Installed at Schiphol Airport, Amsterdam, is the 747-B flight simulator "Nils Holgersson," owned jointly by KLM, Swissair and SAS.



7



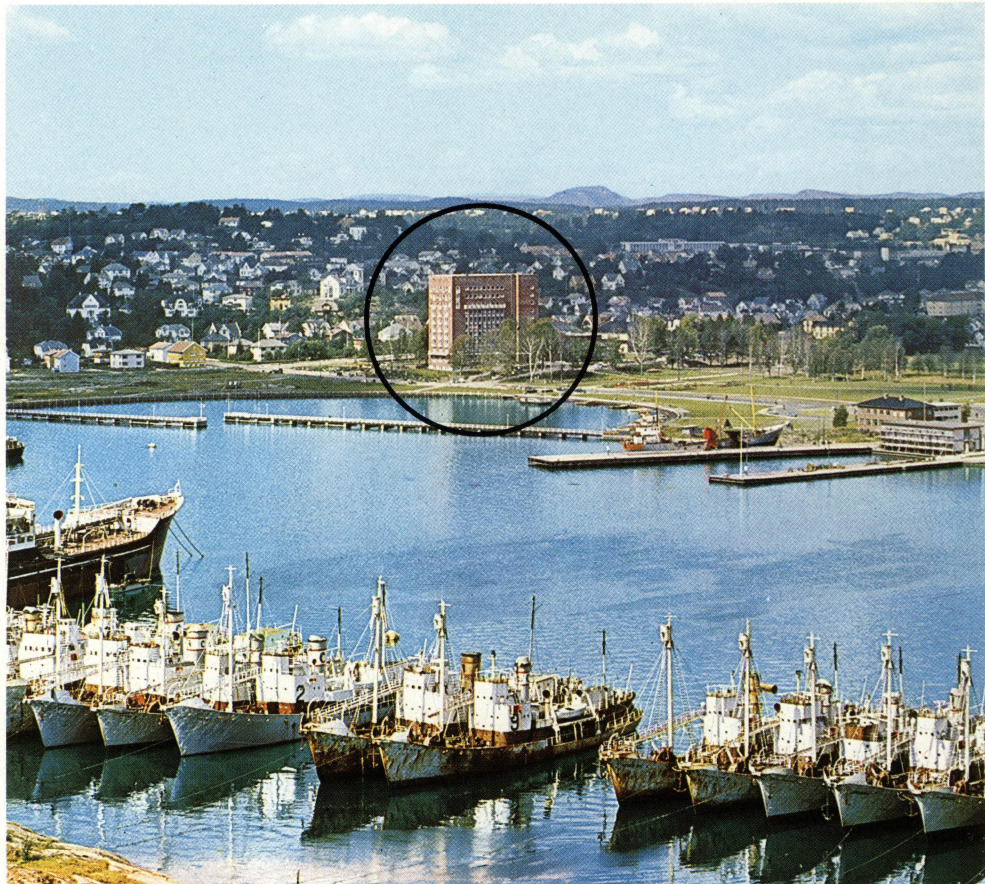
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11

9 Copenhagen Air Cargo Center handled 110,000 tons of cargo during the 1969-70 financial year.

10 The DC-9 jet freighter has a weight payload of 15.5 tons and a cargo volume of 110 cubic meters.

11-15 Housing SAS' new Air Hostess College is the Park Hotel at Sandefjord, Norway. Opened in January, 1970, the college replaces previous hostess training courses in Copenhagen, Oslo and Stockholm. The tight four-week training program includes airline history, geography, cabin equipment, meal service, grooming, and many other subjects, and leaves few occasions for the students to enjoy the hotel's glass-enclosed indoor swimming pool.



12



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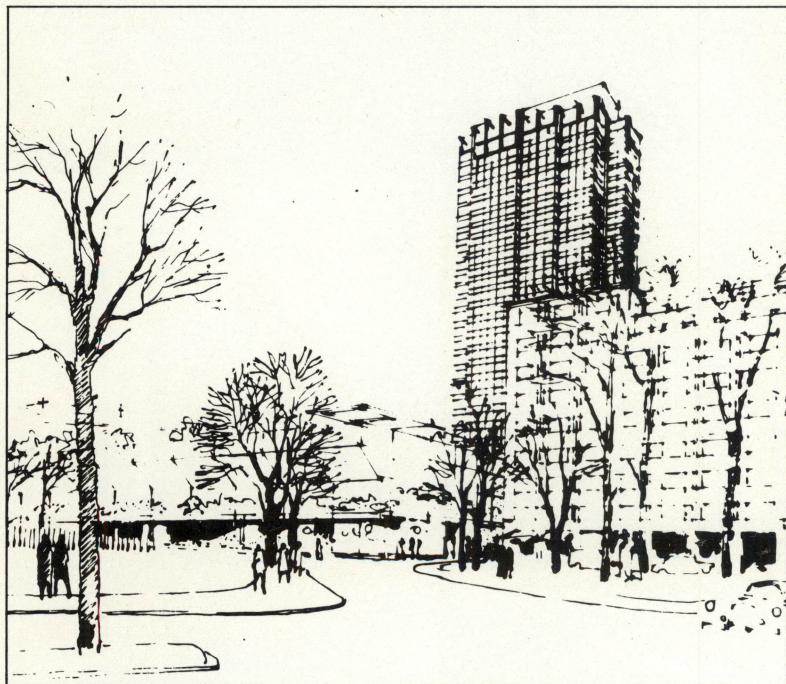
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16 Blending the old and the new – SAS Air Hostess uniforms, from 1946 (right) to the new Dior-designed winter wardrobe (left). The striking red uniform easily identifies a member of SAS' Escort Service.

17 Architect's conception of the SAS Royal Hotel, Oslo, scheduled for opening in the Spring of 1975.

18 Another SAS Royal Hotel, overlooking the harbor at Bodö, Norway will be inaugurated in April, 1971.

19 SAS Catering – a wholly owned subsidiary – serves a total of 42 carriers through its nine flight kitchens around the world.

20 In June, 1970, Nyman & Schultz/Nordisk Resebureau was included among the SAS subsidiaries.

21 In 1969/70, Linjeflyg, owned 50% by SAS and 50% by ABA, served 21 airports in Sweden over a route net of 6,700 kilometers.

22 On its Royal Orchid Service, THAI International served 19 cities in 15 countries in 1969/70 – more than any other regional airline in the Orient.

23 Scanair Sunjets flew 655,000 one-way charter passengers during the year – mainly to Spain and the Canaries.

24 One of Greenland Air's five Sikorsky S-61-N helicopters at Søndre Strømfjord.



19



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21



22


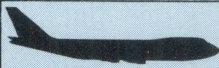
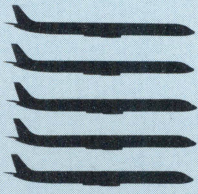


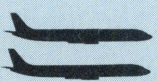
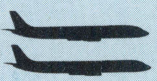
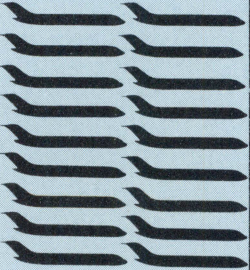




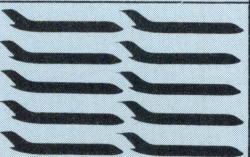
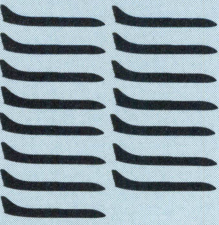



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AIRCRAFT FLEET 1969/70 - 1972/73

	No.	1969-70	1970-71	1971-72	1972-73
		Fleet at the end of the year	Deliveries ³⁾	Deliveries ³⁾	Deliveries ³⁾
B-747-B					
DC-8-63	5				
DC-8-62	7		 ²⁾		
DC-8-55	2				
DC-8-33	2				
DC-9-41	18				
DC-9-33 AF	2				
DC-9-21	10				
CARAVELLE	15				
METROPOLITAN	10				
	71				

1) COMBINED VERSION (CF)
 2) CARGO " (AF)
 3) ORDERED AIRCRAFT



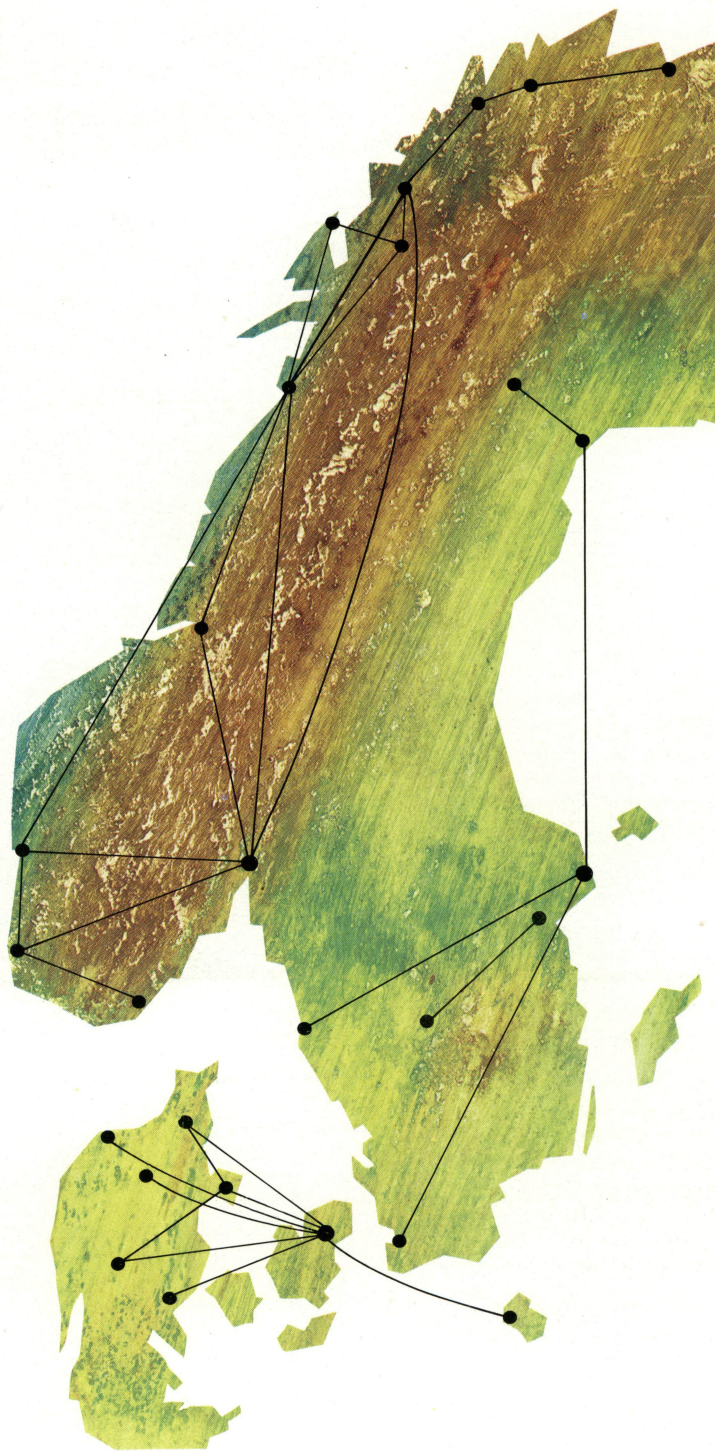
INTERCONTINENTAL ROUTES

Scheduled services (Mill.) Last year's figures in brackets	Passenger		Cargo		Mail		Load	Cabin
	Pass.- Kms	Change %	Ton- Kms	Change %	Ton- Kms	Change %	Factor %	Factor %
North Atlantic	1,857 (1,664)	+ 12	127.4 (138.9)	- 8	7.9 (8.0)	- 2	55.6 (58.4)	50.4 (47.8)
Other Intercontinental Routes	1,034 (859)	+ 20	42.2 (38.2)	+ 11	9.8 (9.6)	+ 2	51.1 (49.8)	44.8 (40.3)
Total Intercontinental Traffic	2,891 (2,523)	+ 15	169.6 (177.1)	- 4	17.7 (17.6)	+ 0	54.0 (55.5)	48.2 (44.9)



EUROPEAN (incl. Middle East) and INTRA-SCANDINAVIAN ROUTES

Scheduled services (Mill.) Last year's figures in brackets	Passenger		Cargo		Mail		Load Factor %	Cabin Factor %
	Pass- Kms	Change %	Ton- Kms	Change %	Ton- Kms	Change %		
Middle East	84 (88)	- 4	2.1 (2.3)	- 9	0.3 (0.3)	- 9	35.5 (36.8)	35.0 (35.7)
European Routes	1,199 (1,065)	+ 13	30.7 (25.0)	+ 23	4.2 (4.0)	+ 6	48.8 (49.4)	54.9 (52.3)
Intra-Scandinavian Routes	335 (324)	+ 3	6.4 (6.0)	+ 6	1.0 (1.1)	- 7	44.2 (43.2)	47.6 (45.9)
Total Europe, Middle East and Intra-Scandinavian Traffic	1,618 (1,477)	+ 10	39.2 (33.3)	+ 18	5.5 (5.4)	+ 2	46.9 (46.9)	51.7 (49.4)



SCANDINAVIAN DOMESTIC ROUTES

Scheduled services (Mill.) Last year's figures in brackets	Passenger		Cargo		Mail		Load Factor %	Cabin Factor %
	Pass.- Kms	Change %	Ton- Kms	Change %	Ton- Kms	Change %		
Denmark	154 (131)	+ 17	1.1 (0.8)	+ 32	0.2 (0.2)	+ 9	55.8 (53.9)	57.4 (56.4)
Norway	352 (324)	+ 9	1.5 (1.4)	+ 10	2.0 (1.7)	+ 16	51.7 (53.5)	57.3 (56.2)
Sweden	282 (253)	+ 12	2.0 (1.8)	+ 11	2.0 (1.9)	+ 4	49.6 (60.3)	53.4 (56.0)
Total Domestic Traffic	788 (708)	+ 11	4.6 (4.0)	+ 15	4.2 (3.8)	+ 10	51.6 (55.9)	55.9 (56.2)

SUBSIDIARIES

SAS Catering A/S

SAS Catering's gross revenue for 1969/70 increased 23 per cent to MSKR 153.3. Services to SAS accounted for 44 per cent of the turnover.

During the year, five more airlines joined the clientele of SAS Catering, bringing the number of carriers served by the nine flight kitchens of the company to 42. During the year, work started on a new 4,500 m² flight kitchen at Arlanda Airport, Stockholm.

Since 1969 SAS Catering operates a 153-room Globetrotter Hotel near Kastrup Airport, Copenhagen. Two new hotels to be operated by SAS Catering from April, 1971 are the 150-room Globetrotter Hotel near Fornebu Airport, Oslo and the 194-room SAS Royal Hotel in Bodö.

In 1969/70 the restaurant activities of SAS Catering were significantly expanded with the turnover increasing by 32 per cent. SAS Catering operated the Royal Viking Restaurant in the Scandinavian Pavillion at Expo 70 in Osaka. The restaurant registered a total of 1,700,000 guests during the six-month exposition period. Expo 70 was the third consecutive world's fair served by a SAS Catering restaurant.

SAS Catering averaged 1,406 employees during 1969/70, compared to 1,250 the previous year.

SAS-Invest A/S

Now in its 10th year of business, SAS-Invest A/S owns and operates the Royal Hotel in Copenhagen. In 1969/70 gross revenue amounted to MSKR 17.7. Overnight stays totalled 129,000, compared with 132,000 the previous year. This gave a room occupancy rate of 92 per cent, same as last year. The staff averaged 388 employees.

For the 10 years from October, 1960 to September, 1970, 1.4 million overnight stays were registered.

Nyman & Schultz/Nordisk Resebureau AB

From June, 1970 Nyman & Schultz/Nordisk Resebureau is a wholly-owned SAS subsidiary. The travel agency is marketing all kinds of travel and associated services, i.e., airline, train and boat transportation, hotel accommodation and car rentals.

Total sales of travel and associated services on behalf of principals in 1969/70 were MSKR 209, three per cent over 1968/69, producing an operating revenue of MSKR 19.6.

COOPERATING CARRIERS

Linjeflyg AB

In 1969/70 Linjeflyg, owned 50-50 by SAS and ABA, the Swedish Parent Company of SAS, served 21 airports in Sweden over a route net of 6,700 kilometers, compared with 20 airports and a 5,200 kilometer network the year before.

The fleet was increased from 16 to 18 Metropolitans and from two to four Nord 262 aircraft. Capacity increased 25 per cent while traffic measured in revenue ton-kilometers rose 15 per cent.

Total revenue amounted to MSKR 108.0 (95.2¹⁾), an increase of 13 per cent over the previous year. After ordinary depreciation of MSKR 3.9 (7.6), extraordinary depreciation of MSKR 4.5 (3.2) and provision to investment fund of MSKR 1.1 (-), the year's profit after taxes amounted to MSKR 0.9 (1.2).

The average number of employees was 653 (609) for the year.

Thai International

As stated in the Board Report, a new Shareholders Agreement has been entered into between the two parent companies of Thai Airways International Ltd. (THAI), that is Thai Airways Co. and SAS. In this connection it was agreed to increase the share capital in THAI by 60 million baht (equal to MSKR 15). At the same time a new Cooperation Agreement was signed between THAI and SAS.

Gradually introducing DC-8 and DC-9 services, THAI returned to SAS three of its five Caravelle jets during the financial year. On September 30, 1970, the fleet consisted of two DC-8s, two DC-9s and two Caravelles.

A new route was opened to Phnom-Penh bringing THAI International's network to 19 cities in 15 countries, more than any other regional airline in the Orient.

Total capacity in available ton-kilometers increased 41 per cent while traffic in revenue ton-kilometers rose 36 per cent. The overall load factor dropped from 59.5 to 57.7 per cent. Available seat-kilometers increased 33 per cent and revenue passenger kilometers 40 per cent to yield a cabin factor of 62.1 per cent, up from 58.9 per cent the previous year.

Total revenue amounted to 681.7 million baht (equal to MSKR 169.8) and traffic revenue to 549.7 million baht (equal to MSKR 136.9), in both cases an increase of 31 per cent compared to the year before. Net profit after depreciation and taxes was 21.6 million baht (20.1 million baht), equal to MSKR 5.4 (5.0).

The number of personnel was 2,049 compared to 1,727 last year.

Scanair

In the financial year 1969/70 Scanair, a consortium owned by the Parent Companies of SAS, operated a fleet of three DC-8-33s, on lease from SAS in an all-tourist-class version of 166 seats, and three 126-seat Boeing 727s. In addition, Scanair leased stretched DC-8-63 aircraft and other capacity on a trip charter basis from SAS. The capacity offered by Scanair was marketed under the trade name "Scanair Sunjet".

Compared to the previous year the traffic of Scanair was significantly increased through lease of the above-mentioned three Boeing 727 jets, formerly owned by Transair Sweden. Gross traffic revenue amounted to MSKR 111.9.

During the year Scanair completed 2,544 (1,177) round trips and flew 655,000 one-way-passengers, the primary destinations being Spain with 291,000, the Canaries with 201,000 and Italy with 68,000 passengers.

Greenlandair

Greenlandair, in which SAS is holding a 25 per cent interest, marked its fifth year as a local-service carrier in Greenland. The fleet consisted of five Sikorsky S-61-N helicopters and two DC-4s.

Overall traffic increased 20 per cent compared with the previous year. Greenlandair carried 31,000 (26,000) passengers, 78,000 (65,000) kilos of cargo and 380,000 (300,000) kilos of mail during the year.

¹⁾ Figures for 1968/69 within brackets.

COMPARATIVE STATISTICS 1962/63—1969/70

PRODUCTION AND TRAFFIC		69/70	68/69	67/68	66/67	65/66	64/65	63/64	62/63
Size of Network	(km 000)	205	208	206	190	158	158	155	145
Number of Countries Served		48	45	45	41	42	41	39	38
Number of Cities Served		92	90	90	84	87	81	77	74
Kilometers Flown	(mill.)	101.7	97.7	88.7	75.8	69.4	65.9	63.3	60.7
Hours Flown (airborne)	(000)	162.6	168.3	164.6	147.0	136.3	129.0	125.2	119.6
Available Ton-Kms, total	(mill.)	1,431.5	1,286.9	1,075.1	834.8	724.8	668.0	623.5	590.1
Available Ton-Kms, scheduled services	(mill.)	1,371.7	1,239.3	1,047.5	818.5	701.6	649.8	604.1	568.8
Revenue Ton-Kms, scheduled services	(mill.)	710.1	658.3	554.7	480.7	415.9	391.2	347.8	302.4
Passenger		469.3	417.0	380.1	337.7	295.3	283.1	256.8	222.2
Freight		213.4	214.5	149.4	119.8	97.5	86.7	72.2	64.0
Mail		27.4	26.8	25.2	23.2	23.1	21.4	18.8	16.2
Total Load Factor, scheduled services	(%)	51.8	53.1	53.0	58.7	59.3	60.2	57.6	53.2
Number of Passengers Carried	(000)	5,058	4,588	4,155	3,734	3,241	2,999	2,617	2,358
Revenue Passenger-kms	(mill.)	5,297	4,707	4,287	3,805	3,304	3,166	2,871	2,506
Passenger Load Factor	(%)	50.3	47.7	50.2	54.5	52.6	54.3	52.9	49.9
Average Passenger Trip Length	(kms)	1,061	1,036	1,038	1,024	1,029	1,064	1,109	1,076
Traffic Revenue/Revenue Available Ton-Km	(SKR)	2.04	2.04	2.10	2.11	2.15	2.20	2.27	2.34
Operating Expenses/Available Ton-Km	(SKR)	1.05	1.05	1.08	1.20	1.23	1.23	1.20	1.20
(incl. interest)									
PERSONNEL									
Number of Employees as of September 30		14,560	14,466	13,619	13,284	13,081	12,709	12,219	11,990
Available Ton-Kms/Employee (scheduled services)		88,100	78,200	62,500	54,800	52,200	50,300	48,000	48,000
Revenue Ton-Kms/Employee (scheduled services)		49,200	46,800	41,400	36,700	32,500	31,400	29,000	25,500
FINANCIAL									
(Mill. Swedish Crowns)									
Total Revenue		1,989.6	1,785.6	1,520.4	1,354.4	1,192.3	1,119.5	1,030.6	937.3
Traffic Revenue		1,478.9	1,366.1	1,179.0	1,023.3	913.5	875.2	807.6	726.4
Other Operating Revenue		420.1	336.9	304.4	284.5	246.4	218.4	202.8	197.2
Financial and Other Income, etc.		90.6	82.6	37.0	46.6	32.4	25.9	20.2	13.7
Total Expenses		1,900.7	1,702.3	1,434.3	1,270.4	1,127.5	1,044.6	960.6	916.3
Operating and Administrative Expenses		1,628.8	1,453.2	1,276.7	1,133.4	1,002.7	924.4	839.5	790.9
Financial and Other Expenses		104.0	95.1	53.9	44.6	39.2	37.7	35.5	34.5
Depreciation		167.9	154.0	103.7	92.4	85.6	82.5	85.6	90.9
Net Profit		88.9	83.3	86.1	84.0	64.8	74.9	70.0	21.0
Balance Sheet (total)		2,262.2	1,850.9	1,538.3	1,253.8	1,046.9	963.2	867.8	814.8
Aircraft, Spare Engines and Spare Parts									
(certain Expendable Parts included),									
Prepayments on Flight Equipment		1,327.6	1,129.2	894.2	547.0	423.5	335.3	367.3	437.9
Buildings, Ground Equipment, etc., Shares,									
Long-term Receivables		185.7	161.0	137.0	121.6	100.4	88.5	84.7	94.3
Current Assets		748.9	560.7	507.1	585.2	523.0	539.4	415.8	282.6
Capital incl. Net Profit		643.7	596.5	486.2	442.1	371.1	321.3	260.4	190.4
Subordinated Debentures		157.5	157.5	157.5	157.5	157.5	157.5	157.5	157.5
Long-term Debt		732.9	526.4	393.7	215.1	137.1	136.0	112.4	128.3
Short-term Liabilities		711.6	554.0	484.4	422.6	364.7	331.9	321.0	322.1
General Valuation Reserve		16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5

	Denmark	Norway	Sweden
BOARD OF DIRECTORS	Haldor Topsøe Second Vice Chairman Palle Christensen Deputies: Poul Andersen Helge Bech-Bruun	Jens Chr. Hauge First Vice Chairman Per M. Backe Deputies: Erik Brofoss Johan Horn	M. Wallenberg Chairman Per Åsbrink Deputies: Curt Nicolin Nils Hörjel
	ASSEMBLY OF REPRESENTATIVES	Mogens Pagh First Vice Chairman Count Flemming af Rosenborg Poul Andersen Helge Bech-Bruun K. Bredahl Palle Christensen Per Hækkerup Axel Kristensen Hans Muus Haldor Topsøe	Per M. Hansson Chairman Nils Astrup Per M. Backe Erik Brofoss Jens Chr. Hauge Johan Horn Johan Nerdrum Erik Brand Olimb Fred Olsen Arne Rettedal K. Skaaluren Deputies: Halvdan Bjørum Rolf Heilemann Erling Lind Arnljot Strømme Svendsen
MANAGEMENT	Björn Törnblom Executive Vice President Technical and Operations	Yngve Wessman Executive Vice President (Acting) Marketing	Knut Hagrup President
	Johs. Nielsen Vice President and General Manager Region Denmark	Kai Sørtorp Vice President and General Manager Region Norway	C. E. Lindh Executive Vice President Finance
			Gunnar Sandberg Senior Vice President Administration
			Sven-Erik Svanberg Vice President and General Manager Region Sweden

SCANDINAVIAN AIRLINES SYSTEM

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