

THE SAS CONSORTIUM

SCANDINAVIAN AIRLINES SYSTEM

DENMARK-NORWAY-SWEDEN

1 NOVEMBER 2013–31 OCTOBER 2014

INCOME STATEMENT AND BALANCE SHEET

The SAS Consortium comprises SAS Danmark A/S, SAS Norge AS and SAS Sverige AB.

As of 2001, the SAS Consortium's three parent companies are subsidiaries of SAS AB.

SAS Danmark A/S, SAS Norge AS and SAS Sverige AB have joint and several liability for the fulfillment of the SAS Consortium's obligations in relation to third parties. The internal relationship between the three parent companies is as follows:

SAS Danmark A/S 2/7

SAS Norge AS 2/7

SAS Sverige AB 3/7

Effective December 31, 2003, SAS AB is first-call guarantor for the SAS Consortium's current and future interest-bearing liabilities, leasing obligations and other financial obligations ("Irrevocable undertakings").

As a result of the amended rules for pension recognition in accordance with IAS 19, the figures recognized in the preceding financial year (2012/2013) have been restated to enable comparison with the 2013/2014 financial year. The effect was charged to the opening equity for the 2013/2014 financial year in an amount of MSEK 9,017 and the change in estimates for the year entails a further negative effect of MSEK 1,473, which was recognized in other comprehensive income during the financial year.

The Board of Directors of SAS AB has resolved to strengthen the SAS Consortium's equity. This will be achieved by SAS AB providing a shareholder contribution to SAS Danmark A/S, SAS Norge AS and SAS Sverige AB totaling SEK 7 billion. The SAS Consortium's parent companies then pay a share contribution to the SAS Consortium totaling SEK 12 billion. The contribution was paid in April 2015. If the share contribution had been paid on October 31, 2014, the SAS Consortium's pro forma equity would have been MSEK 3,967, see balance sheet where the effect of the share contribution is presented in the column designated Pro forma October 31, 2014. The effect is that liabilities to Group companies decline by an amount corresponding to the increase in equity.

The SAS Consortium's statement of income

MSEK	Nov 2013– Oct 2014	Nov 2012– Oct 2013
Operating revenue	36,315	38,566
Payroll expenses	-5,626	-9,012
Other operating expenses	-29,875	-26,592
Operating income before depreciation	814	2,962
Depreciation	-1,380	-1,431
Income from the sale of aircraft and buildings	-14	-79
Operating income	-580	1,452
Income from shares in subsidiaries and affiliated companies	-59	-658
Income from other shareholdings	-25	1
Net financial items	-988	-879
Income after financial items	-1,652	-84
Net income for the year	-1,652	-84
Other comprehensive income	-1,473	1,888
Total other comprehensive income	-3,125	1,804

The SAS Consortium's balance sheet

ASSETS, MSEK	Pro forma		Restated	
	Oct 31, 2014	Oct 31, 2014	Oct 31, 2013	Oct 31, 2013
Non-current assets				
Intangible assets	3,982	3,982	3,885	3,885
Tangible fixed assets				
Land and buildings	104	104	86	86
Aircraft	7,434	7,434	8,683	8,683
Spare engines and spare parts	35	35	60	60
Workshop and aircraft servicing equipment	76	76	103	103
Other equipment and vehicles	65	65	56	56
Investment in progress	69	69	21	21
Prepayments relating to tangible fixed assets	763	763	251	251
	8,546	8,546	9,260	9,260
Financial fixed assets				
Shares and participations in Group companies	1,688	1,688	1,737	1,737
Long-term receivables from Group companies	1,500	1,500	2,483	2,483
Shares and participations in affiliated companies	23	23	23	23
Other shares and participations	1	1	1	1
Pension funds, net	3,588	3,588	3,275	12,292
Other long-term receivables	1,773	1,773	1,467	1,467
	8,573	8,573	8,986	18,003
Total non-current assets	21,101	21,101	22,131	31,148
Current assets				
Expendable spare parts and inventories	301	301	321	321
Current receivables				
Accounts receivable	898	898	1,174	1,174
Receivables from Group companies	1,403	1,403	2,020	2,020
Receivables from affiliated companies	0	0	1	1
Other receivables	743	743	621	621
Prepaid expenses and accrued income	831	831	755	755
	3,875	3,875	4,571	4,571
Short-term investments	3,649	3,649	2,028	2,028
Cash and bank balances	3,694	3,694	2,674	2,674
Total current assets	11,519	11,519	9,594	9,594
TOTAL ASSETS	32,620	32,620	31,725	40,742

The SAS Consortium's balance sheet

SHAREHOLDERS' EQUITY AND LIABILITIES, MSEK	Pro forma		Restated	
	Oct 31, 2014	Oct 31, 2014	Oct 31, 2013	Oct 31, 2013
Shareholders' equity				
Capital account				
SAS Danmark A/S	1,133	-2,295	-1,402	1,174
SAS Norge AS	1,133	-2,295	-1,402	1,174
SAS Sverige AB	1,701	-3,443	-2,104	1,761
	3,967	-8,033	-4,908	4,109
Long-term liabilities				
Subordinated debenture loan	974	974	907	907
Bond issues	1,223	1,223	1,154	1,154
Other loans	1,676	1,676	1,690	1,690
Long-term liabilities to Group companies	3,950	14,306	11,877	11,877
Other provisions	2,076	2,076	1,355	1,355
Other liabilities	132	132	128	128
	10,031	20,387	17,111	17,111
Current liabilities				
Current portion of long-term loans	246	246	2,072	2,072
Loans	555	555	155	155
Prepayment from customers	4	4	16	16
Accounts payable	1,355	1,355	1,551	1,551
Liabilities to Group companies	7,470	9,114	7,695	7,695
Unearned transportation revenue	4,237	4,237	3,926	3,926
Current portion of other provisions	681	681	849	849
Other liabilities	329	329	395	395
Accrued expenses and prepaid income	3,745	3,745	2,863	2,863
	18,622	20,266	19,522	19,522
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	32,620	32,620	31,725	40,742