



Analyst presentation of 1st Half 2006

Stockholm and London, August 9-10



Record growth and improved yield provide positive result



- ▶ EBT bef nonrecurring items MSEK 894 in 2nd Quarter – up MSEK 315
 - Positive yield in Scandinavian Airlines by 1,9%
 - Lower volumes and price pressure in SGS and STS
 - Jet fuel price effect MSEK 600 higher than last year
 - Negative Easter effect and cost of conflict MSEK 200
- ▶ Record high cabin factor and number of passengers for the SAS Group
- ▶ Strong improvement for Group's largest unit
 - Scandinavian Airlines underlying EBT up MSEK 600 in Q2
- ▶ New cost measures of SEK 2,5 billion under implementation

SAS Group

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Improved profitability despite conflicts and record high fuel prices



MSEK	April-June		January-June	
	2006	Change	2006	Change
▶ Revenues	17 916	+1 899	32 383	+3 350
▶ EBITDAR	2 287	+51	2 506	+48
▶ Lease & depreciation	-1 453	-80	-2 867	-182
▶ EBIT	881	-68	-280	-181
▶ Financial net	-239	+168	-465	+184
▶ EBT	643	+53	-744	-44
▶ Non- recurring items	251	+262	319	+352
▶ EBT bef non-recurring items	894	+315	-425	+308

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Strongest improvement in Scandinavian Airlines Businesses



MSEK	2006	Apr-Jun		2006	Jan-Jun
		Change	Change		
▶ Scandinavian Airlines Businesses	761	+407	-52	+582	
▶ Subsidiary & Affiliated Airlines	167	+23	-114	-114	
▶ Airline Support Businesses	-73	-267	-34	-364	
▶ Hotels	182	+99	117	+180	
▶ Group eliminations, other	-143	+53	-342	+24	
▶ EBT bef nonrecurring items	894	+315	-425	+308	

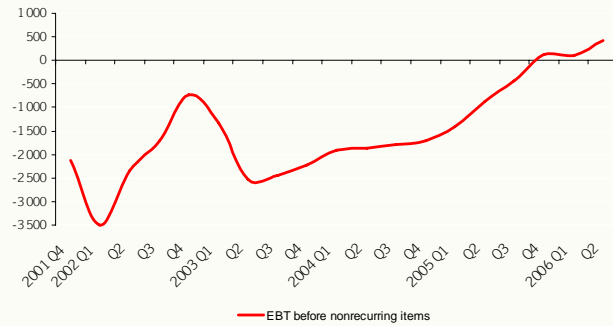
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Earnings before non recurring 12 months trend

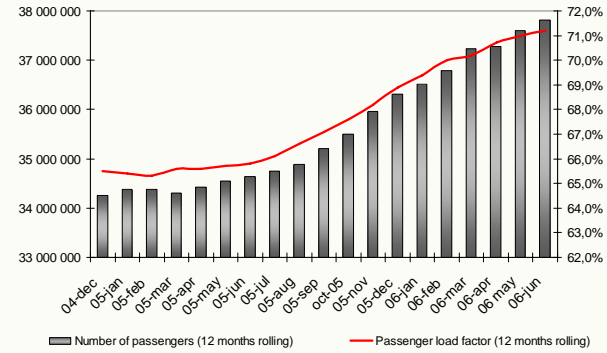
12 months rolling EBT before nonrecurring items, SAS Group



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Group number of passengers grew by 8,7% 1st Half providing record load factors



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Gunilla Berg
CFO



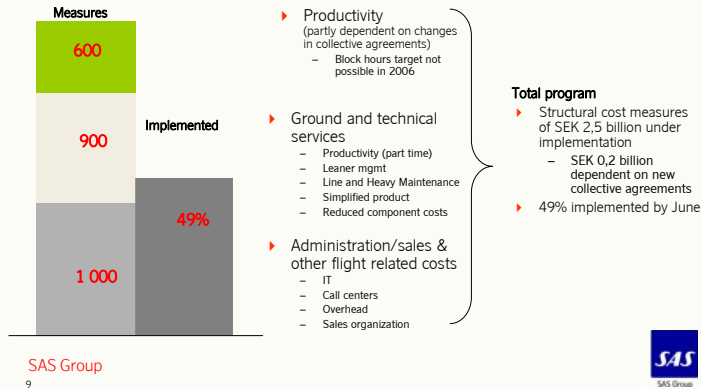
Underlying result improved MSEK 400 in 2nd Quarter

MSEK	April-June		January-June	
	2006	Change	2006	Change
▶ EBT	643	+53	-744	-44
▶ Restructuring	-		95	
▶ SAS Technical Services (Sola)	160		160	
▶ SAS Ground Services (Norway)	105		105	
▶ Gains	-14		-41	
▶ EBT bef non-recurring items	894	+315	-425	+308
▶ Cost of conflicts	100		350	
▶ Pilots in January (Denm/Norw.)				
▶ Cabin in April (Norway)				
▶ Underlying EBT	994	+415	-125	+658

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SEK 2,5 billion of cost cuts to be implemented in 2006-2007



Strong results in Scandinavian Airlines Denmark SAS Braathens affected by strike



SAS Denmark	Apr-Jun 2006	Apr-Jun 2005	Jan-Jun 2006	Jan-Jun 2005
Total revenues	2 931	2 781	5 244	5 014
EBITDAR	403	284	321	105
EBT bef nonrec Items	207	49	-82	-361

SAS Braathens	Apr-Jun 2006	Apr-Jun 2005	Jan-Jun 2006	Jan-Jun 2005
Total revenues	3 316	3 338	6 123	6 001
EBITDAR	448	605	491	799
EBT bef nonrec Items	172	329	16	241

- ▶ Solid traffic development in 1st Half
 - No of pass up 7,6%
 - Cabin factor improved 9,9 p.u. to 71,2%
- ▶ Negative effect from pilot conflict in January MSEK 110

- ▶ Stable traffic growing in 1st Half
 - No of pass up 3,4%
 - Cabin factor up 3,9 p.u. to 67,9%
- ▶ Results negatively affected by MSEK 240 from strike in April and conflict in January
- ▶ SAS Braathens opened 12 new routes

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Strong Turnaround in Scandinavian Airlines Sweden SAS International on right track



SAS Sweden	Apr-Jun 2006	Apr-Jun 2005	Jan-Jun 2006	Jan-Jun 2005
Total revenues	2 203	2 096	4 072	3 904
EBITDAR	408	133	514	94
EBT bef nonrec Items	229	-61	145	-280

SAS International	Apr-Jun 2006	Apr-Jun 2005	Jan-Jun 2006	Jan-Jun 2005
Total revenues	2 097	1 995	3 689	3 589
EBITDAR	276	209	240	120
EBT bef nonrec Items	89	49	-145	-206

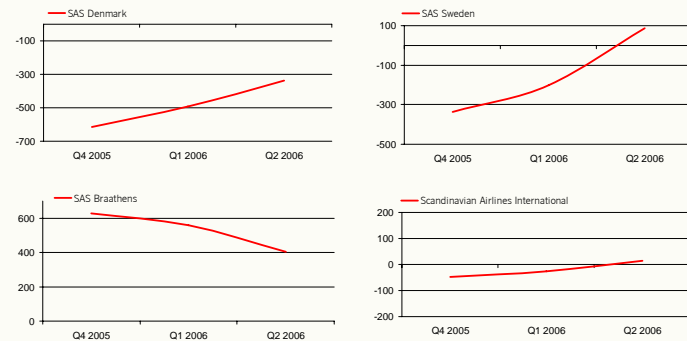
- ▶ Capacity adjusted to demand in 1st Half
 - Cabin factor up 6,0 p.u. to 69,1%
- ▶ Signs of reduced overcapacity
- ▶ Strong result improvement
- ▶ New contract with Swedish government on international routes
- ▶ Development as expected in 1st Half
 - Cabin factor improved to 81,7%
 - Reduced capacity by 7,8%
- ▶ Internet onboard all intercontinental aircraft
- ▶ Flat beds being installed



Positive profitability trend for Scandinavian Airlines Businesses



EBT before nonrecurring items (12 months rolling)



Scandinavian Airlines Businesses

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STS and SGS affected by lower volumes



Jan-Jun in MSEK

	SAS Technical Services		SAS Ground Services		SAS Cargo		SAS Flight Academy	
Revenues	2 517	-0,9%	2 971	-4,1%	1 760	15,3%	248	-0,4%
EBT, bef nonrec.	-72	-208	-3	-87	11	-3	44	+14

Airline Support Businesses

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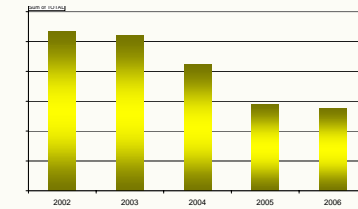


STS result down by MSEK 208 in 1st Half



- ▶ STS EBT before nonrecurring items MSEK 208 lower than last year due to
 - Negative affect in SAS Component by MSEK 100
 - lower volume
 - Price reductions
- ▶ STS response
 - Reducing overcapacity (Sola to be closed)
 - Cost cutting activities under implementation

Air Frame production (hours)

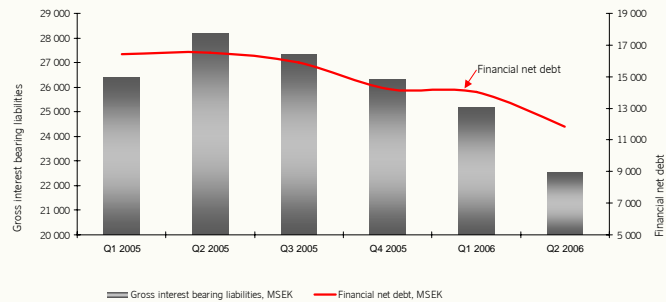


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Gearing being reduced



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Capacity guidance reduced due to increased focus on dynamic traffic planning



SAS Group		2006	
▶ Fuel costs (SEK, billion)		~11	
▶ ASK		up 2%	

Scandinavian Airlines Businesses		2006		Capacity 2006 vs 2005	
▶ Yield		stable		Scandinavian Airlines Danmark	-7%
▶ ASK		-2% to -3%		SAS Braathens	+6%
▶ Load factor		up		Scandinavian Airlines Sverige	-9%
				Scandinavian Airlines International	-6%

Subsidiary & Affiliated Airlines		Capacity 2006 vs 2005	
▶ Spanair		10%	
▶ Blue1		60%	
▶ Widerøe		5-7%	
▶ airBaltic		25%	

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Gunnar Reitan
Acting CEO



Strong traffic development for Spanair and growth opportunities in Barcelona

Spanair	Apr-Jun		Jan-Jun	
	2006	2005	2006	2005
Total revenues	2 960	2 235	5 023	3 809
EBITDAR	399	370	542	489
EBT, bef nonrec items	92	5	-143	-153

widerøe	Apr-Jun		Jan-Jun	
	2006	2005	2006	2005
Total revenues	769	768	1 490	1 407
EBITDAR	84	132	152	212
EBT, bef nonrec items	19	63	17	77

- ▶ Strong traffic development in 1st Half
 - ▶ No. of pass. up 28,2%
 - ▶ Cabin factor up 7,2 p.u. to 65,2%
- ▶ Yield was up 5,9%
- ▶ Growth opportunities in Barcelona as Iberia reduces capacity

- ▶ Good traffic development in 1st Half
 - ▶ No of pass up 6,6%
 - ▶ Cabin factor up 4,0 p.u. to 56,2%
- ▶ Yield was down 3,0% due to new business models.
- ▶ Cost to be addressed going forward

Subsidiary & Affiliated Airlines

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Strong growth in Blue1 and airBaltic

Blue1	Apr-Jun		Jan-Jun	
	2006	2005	2006	2005
Total revenues	564	481	992	860
EBITDAR	36	83	47	117
EBT, bef nonrec items	-12	45	-38	41

- ▶ Strong traffic figures
 - ▶ No of pass up 21,9%
 - ▶ Cabin factor up 4,2 p.u. to 64,2%
- ▶ Start up cost for European expansion
- ▶ 10 new destinations introduced from Helsinki

airBaltic	Apr-Jun		Jan-Jun	
	2006	2005	2006	2005
Total revenues	400	310	687	502
EBITDAR	71	31	83	24
EBT, bef nonrec items	31	-4	13	-42

- ▶ Strong traffic development in 1st Half
 - ▶ Number of passengers up 43,7%
 - ▶ Cabin factor up 7,2 p.u. to 60,2%
- ▶ EBT improved MSEK 55 in 1st Half
- ▶ airBaltic successfully competes with Ryanair and Easyjet

Subsidiary & Affiliated Airlines

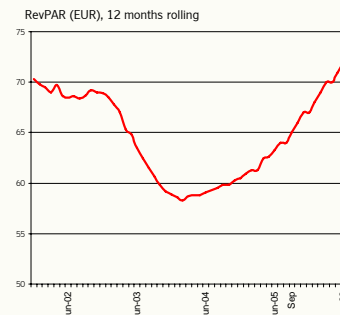
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Profitable growth in Rezidor SAS - Strong RevPAR development

REZIDOR SAS	Apr-Jun		Jan-Jun	
	2006	2005	2006	2005
Total revenues	1 729	1 401	3 195	2 497
EBITDA	236	157	233	79
EBT	182	83	117	-63

- ▶ Strong hotel market
- ▶ Number of rooms sold increased
 - ▶ RevPAR up 13,5% for comparable units
 - ▶ Occupancy rate improved 2,5 p.u.
- ▶ 10 new hotels opened in 1st Half. Total number of hotels now 227
- ▶ 20 new contracts signed in 1st Half
 - ▶ New Park Inn Hotel contract signed in center of Stockholm with 420 room



Rezidor SAS

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SAS Group prepares IPO for Rezidor SAS



- ▶ Listing within 12 months
- ▶ In line with SAS Group focus on core activities
- ▶ Favourable position for next phase in Rezidor development
- ▶ Profitable growth:
 - ▶ 700 hotels targeted by 2015
 - ▶ EBITDA targets under review ¹⁾
- ▶ Carlson to remain a significant shareholder (today 25%)
- ▶ SAS Group's holding to be decided at time of IPO
- ▶ SAS co-branding to be evaluated

¹⁾ The previously announced financial target of an EBITDA margin of at least 10% and EBITDA growth of at least 15% over a business cycle are under review. The targets are expected to be raised due to structural improvements in the business following the transaction with Carlson Hotels Worldwide in 2005 and improved operational performance

Rezidor SAS

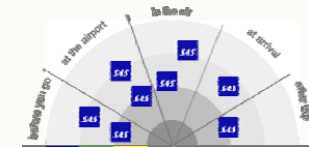
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New commercial concept in pipeline



- ▶ Harmonized product concept
 - Consistent customer offering
 - Common market strategy
 - Common price concept
- ▶ Product differentiation to increase
 - Distinctive product – different vs LCC
 - New web site easier to find low fares
 - Improved benefits for frequent flyers
- ▶ B2B Corporate agreements
 - Strengthen the corporate offer
 - Transparent and simple business relation
- ▶ Brand positioning
 - Position Scandinavian Airlines for growth in business and leisure segment
- ▶ Timetable
 - Launch in Sep 2006
 - Introductions in Oct-Dec
- ▶ Target
 - Customer Satisfaction index of 72 (today 66)
 - Capture revenue potential in market



Scandinavian Airlines Businesses

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Tough start of 2006, but passenger growth trend strong



- ▶ Tough start of 2006
 - Pilot and cabin actions negative result effect appr MSEK 350
- ▶ Stabilization in 2nd Quarter
 - Improved yield
 - New Business Models & Strong Market Growth
 - Record cabin factor
- ▶ Jet fuel costs a challenge/effort to compensate
- ▶ Cost measures of SEK 2,5 billion on track

Outlook

- ▶ Stable market growth 5-10% in SAS Group markets
- ▶ New Business Model with improved load
- ▶ Uncertainties about future growth rate and fuel prices



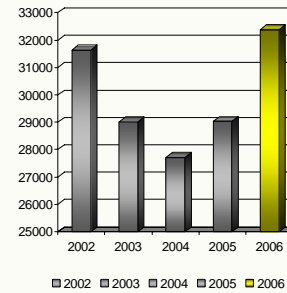
Additional slides for further information



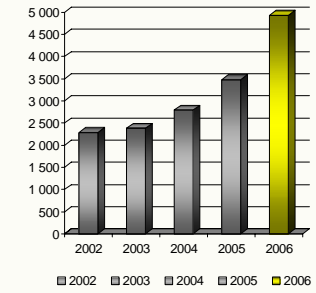
Positive revenue development, but jet fuel cost on record high levels



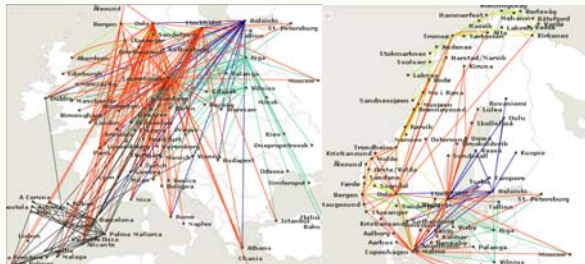
January-June, Group Revenue, MSEK



January-June, Jet fuel, MSEK



SAS Group over 37,8 million passengers annually



- ▶ More than 1500 daily departures – more than one departure/min all year round
- ▶ More than 37,8 million passengers since July 2005
- ▶ Fleet of 307 aircraft

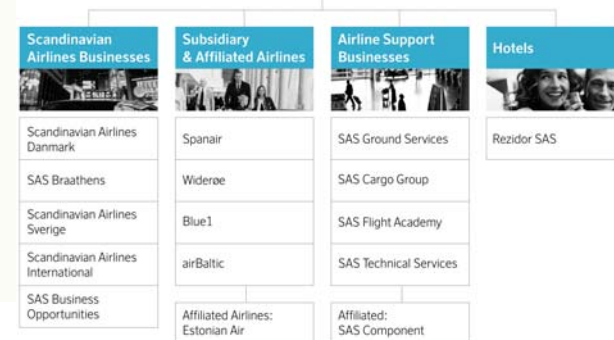


Four Business Areas as from 2006

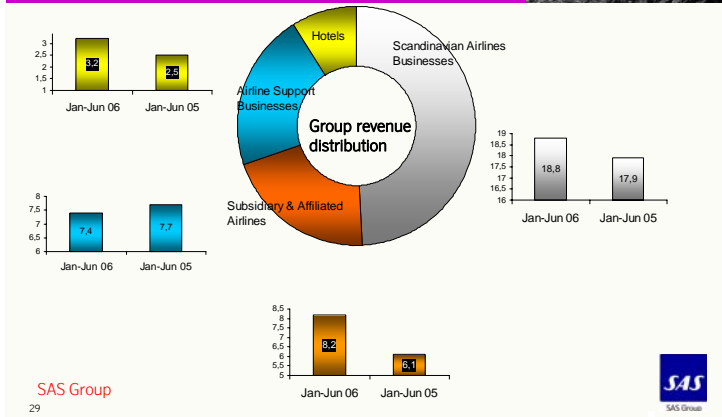
- ▶ From business units to limited companies



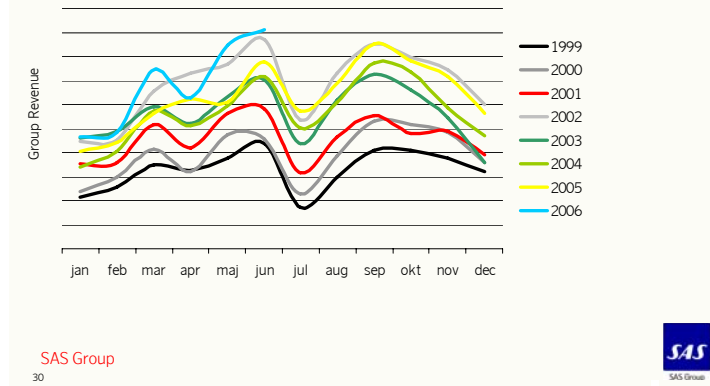
- ▶ Closer to local markets
- ▶ Improved accountability



Revenues growing in major business areas



Revenue seasonality pattern

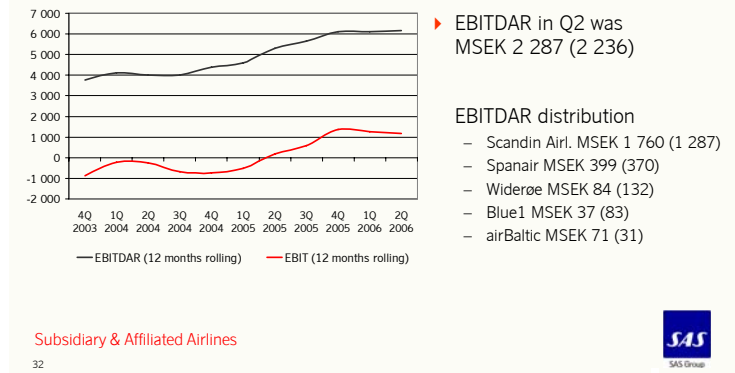


EBITDAR and CFROI improved

MSEK, Jan-Jun	2006	2005	
▶ Revenue	32 383	29 033	11,5%
▶ EBITDAR	2 506	2 458	+2,0%
▶ EBITDAR-margin	7,7%	8,5%	-0,8 p.p.
▶ CFROI	13%	12%	+1 p.p.

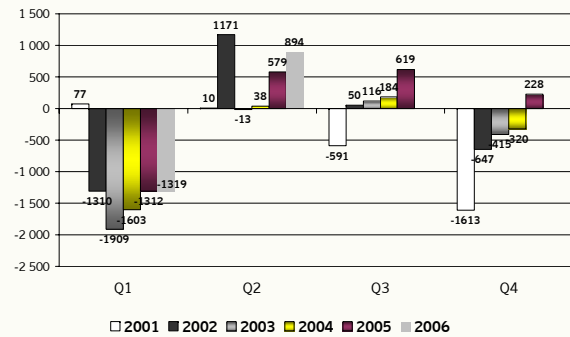
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EBITDAR on same level as last year due to restructuring costs



Quarter result history

MSEK, EBT before gains and nonrecurring items

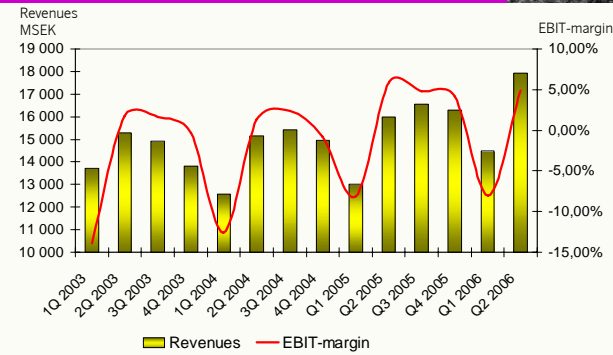


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Positive trend in EBIT-margin and revenues



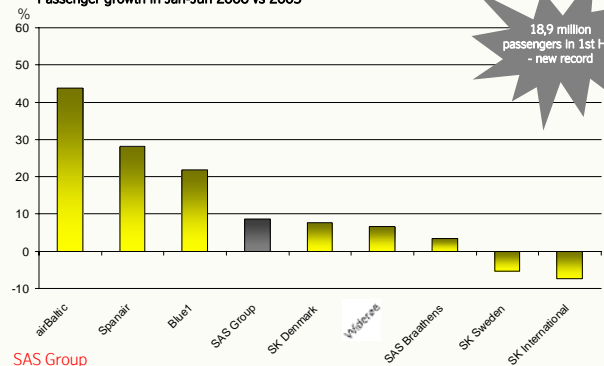
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Very strong growth in many Group airlines

Passenger growth in Jan-Jun 2006 vs 2005



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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

Hedge levels (including premiums):

- 40% hedged for 2006 and 40% hedged until June 2007
- 2006: 725 USD/MT
- July 2006 – June 2007 hedging level 760 USD/MT (incl premium)

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Fuel cost at record level - Full year fuel cost expected to increase SEK 2,5 - 3 billion



- ▶ SAS Group strategy to offset jet fuel price
 - Policy to hedge 40-60% of expected consumption (12 months)
 - Yield management
 - Cost initiatives
 - Price increase due to very high prices on continuous basis
- ▶ Current hedges
 - 40% in 2006 at 725 USD/MT
 - 40% until June 07 at 760 USD/MT

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Business areas



Scandinavian Airlines Businesses



Scandinavian Airlines' earnings improving



MSEK	April- June			January-June		
	2006	2005	Change	2006	2005	Change
▶ Revenues	8 538	8 179	+359	18 758	17 914	+844
▶ Operating expenses	-8 619	-8 554	-65	-16 892	-16 660	-232
▶ EBITDAR	1 760	1 287	+473	1 866	1 254	+612
▶ Lease	-518	-455	-63	-1 045	-899	-146
▶ EBITDA	1 242	832	+410	821	355	+466
▶ Depreciation	-308	-340	-32	-607	-685	+78
▶ Income from sales/affiliated	17	57	-40	40	362	-322
▶ EBIT	951	549	+402	254	32	+222
▶ EBT	764	397	+367	-114	-301	+187
▶ EBT bef. nonrecurring items	761	354	+407	-52	-634	+582

Scandinavian Airlines Businesses

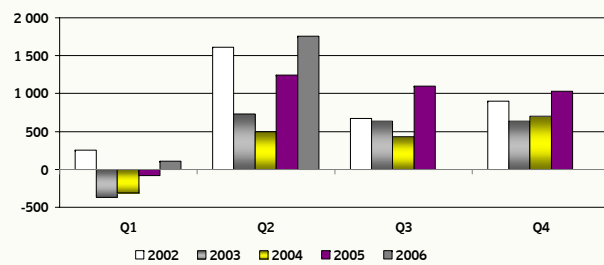
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EBITDAR is improving



EBITDAR, Scandinavian Airlines
MSEK



Scandinavian Airlines Businesses

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Strong improvements in Denmark and Sweden



Jan-Jun in MSEK	SAS Scandinavian Airlines Denmark		SAS Braathens		SAS Scandinavian Airlines Sweden		SAS Scandinavian Airlines International	
	Revenues	5 244	4,6%	6 123	2,0%	4 072	4,3%	3 689
EBITDAR	321	+216	491	-308	514	+420	240	+120
EBT bef nonrec.	-82	+279	16	-225	145	+425	-145	+61
Apr-Jun in MSEK								
Revenues	2 931	5,4%	3 316	-0,7%	2 203	5,1%	2 097	5,1%
EBITDAR	403	+119	448	-157	408	+275	276	+67
EBT bef nonrec.	207	+158	172	-157	229	+290	89	+40

Scandinavian Airlines Businesses

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Key airline profitability drivers improving



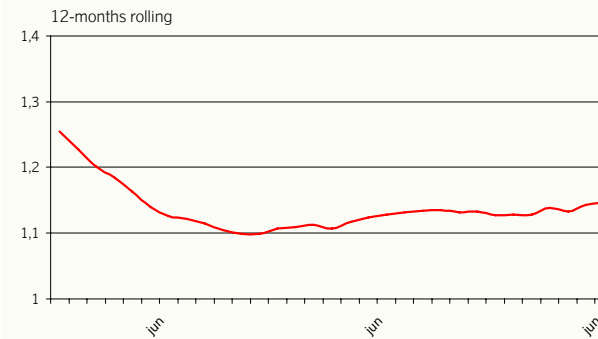
	2006 vs 2005 April-June		2006 vs 2005 January-June	
▶ Traffic (RPK)	down	0,1%	up	0,5%
▶ Cabin Factor	up	3,5 p.u.	up	4,7 p.u.
▶ Yields (RPK)	up	1,9%	up	1,6%
▶ Yields (ASK)	up	9,6%	up	12,3%
▶ Total unit costs	up	7,3%	up	6,2%
– Fuel adjusted unit cost	up	3,2%	up	2,2%

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Yield has stabilized

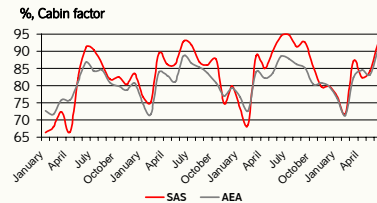
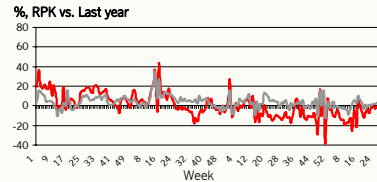


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Positive mix on North Atlantic routes



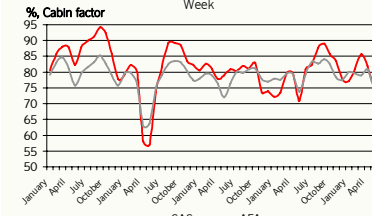
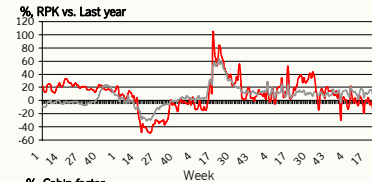
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- ▶ Daily departures to/from New York, Washington DC, Chicago, Seattle from Copenhagen
- ▶ Daily departures to/from New York and Chicago from Stockholm
- ▶ Competition has tightening
 - ▶ Capacity has been reduced to New York and Washington DC resulting in improved cabin factors and lower volumes
- ▶ Positive mix
- ▶ Traffic in Jan-Jun 2006:
 - European airlines (AEA) traffic up 1,0%
 - SAS traffic down 8,7%



Pos increase on Asian routes



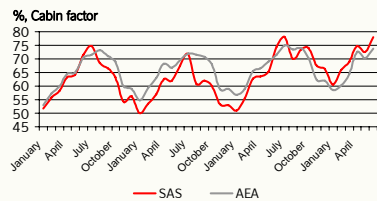
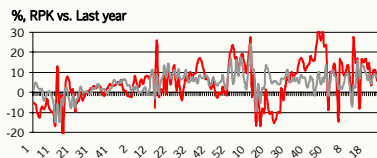
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- ▶ Scandinavian Airlines serving Bangkok, Beijing, Shanghai and Tokyo
- ▶ Bangkok-Singapore closed in March
- ▶ New flat beds being installed
 - ▶ Positive mix between Economy and Business Class
- ▶ Good development in Economy Extra
- ▶ Cabin factor higher than AEA
- ▶ Traffic in Jan-Jun 2006:
 - AEA traffic up 12,2%
 - SAS traffic down 3,1% due to reduced capacity



Scandinavian Airlines cabin factor over AEA on European routes



Scandinavian Airlines Businesses

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- ▶ New Business Models a success
 - ▶ Cabin factor above AEA average since September 2005
- ▶ Strong performance on UK, Netherlands, Finland and Italy
- ▶ Traffic Jan-Jun 2006:
 - AEA traffic up 7,1%
 - SAS traffic up 9,8% albeit capacity has been reduced by 3,1%



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)

Scandinavian Airlines Businesses

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Subsidiary & Affiliated Airlines



Improved 2nd Quarter and strong traffic development in Subsidiary & Affiliated Airlines

MSEK	April-June			January-June		
	2006	2005	Change	2006	2005	Change
▶ Revenues	4 699	3 503	+1 196	8 213	6 110	+2 103
▶ Operating expenses	-4 046	-2 936	-1 110	-7 364	-5 336	-2 028
▶ EBITDAR	653	567	+86	849	774	+75
▶ Lease	-386	-323	-63	-753	-565	-188
▶ EBITDA	267	244	+23	96	209	-113
▶ Depreciation	-81	-78	-3	-163	-154	-9
▶ Income from affiliated	23	15	+8	25	12	+13
▶ EBIT	209	181	+28	-42	67	-109
▶ EBT	167	145	+22	-114	0	-114

Subsidiary & Affiliated Airlines

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Improvement in Spanair and airBaltic but Widerøe and Blue1 weaker

Jan-Jun in MSEK	Spanair		widerøe Member of the SAS Group		Blue1		airBaltic	
Revenues	5 023	31,9%	1 490	5,9%	992	15,3%	687	36,9%
EBITDAR	542	+53	152	-60	48	-69	83	+59
EBT bef nonrec.	-143	+10	17	-60	-38	-79	13	+55
Apr-Jun in MSEK								
Revenues	2 960	32,4%	769	0%	564	17,3%	400	29,0%
EBITDAR	399	+29	84	-48	37	-46	71	+40
EBT bef nonrec.	92	+87	19	-44	-12	-57	31	+35

Subsidiary & Affiliated Airlines

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Estonian Air shows solid growth

- ▶ The SAS Group holds 49% in Estonian Air
- ▶ Estonian Air number of passengers up 13% in 1st Half
- ▶ Competitive cost position
- ▶ Increasing charter operation



Subsidiary & Affiliated Airlines

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Airline Support Businesses



Airline Support Businesses

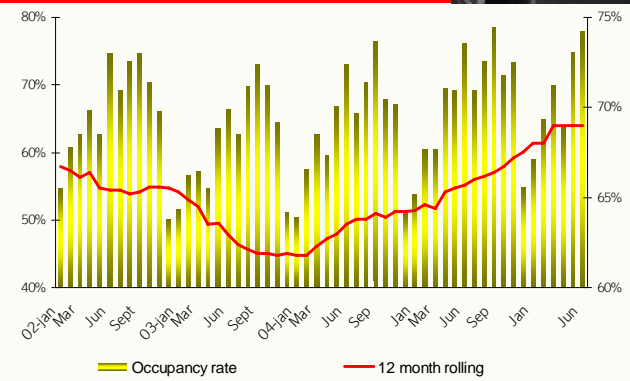
MSEK	April-June			January-June		
	2006	proform 2005	Change	2006	proforma 2005	Change
▶ Revenues	3 733	3 639	+94	7 444	7 336	+108
▶ Operating expenses	-3 930	-3 411	-519	-7 519	-6 870	-649
▶ EBITDA	-197	228	-425	-75	466	-541
▶ Depreciation	-102	-84	-18	-171	-167	-4
▶ EBIT	-317	144	-461	-282	299	-581
▶ EBT	-338	125	-463	-320	266	-586
▶ EBT bef nonrec items	-73	125	-198	-34	266	-300

Airline Support Businesses

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Significant improved occupancy rate



Rezidor SAS

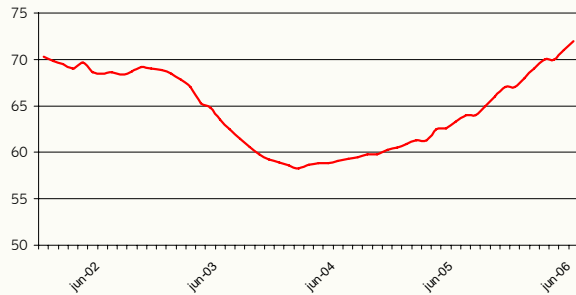
56



RevPAR improves



RevPAR (EUR), 12 months rolling value



Financial update

Balance sheet



MSEK	30 Jun 06	31 Dec 05
Liquid funds	8 669	8 684
Aircraft, spare parts	14 717	16 207
Other assets	32 591	33 125
Total assets	55 977	58 016
Operating liabilities	17 918	15 981
Interest-bearing liabilities	22 581	26 337
Deferred tax	3 668	3 617
Equity	11 810	12 081
Total liabilities and equity	55 977	58 016
Financial net debt	11 815	14 228

Positive free cash flow after investments and improved net debt



SEK, billion	Apr-Jun 2006	Jan-Jun 2006
▶ Cash flow from operations	1,1	0,1
▶ Change in working capital	0,3	1,2
▶ Net financing from operations	1,4	1,3
▶ Investments, adv. payments	-0,5	-0,9
▶ Acquisitions/sale of subsidiaries (net)	0,0	0,0
▶ Sale of fixed assets etc.	0,7	1,4
▶ Financing deficit/surplus	1,6	1,8
▶ Change in external financing	-1,8	-1,8
▶ Cash flow from the period	-0,2	0,0
▶ 		
▶ Financial net debt		11,8
▶ Available funds		14,3

Limited CAPEX

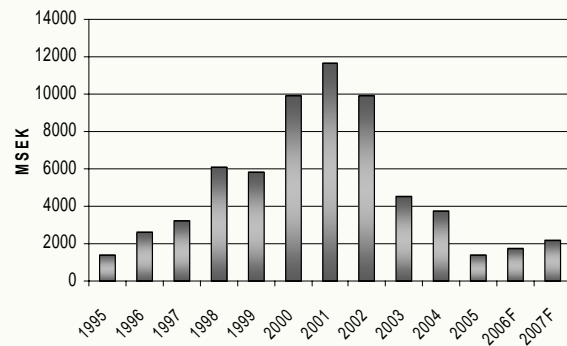
<u>Firm Aircraft Orders</u>	<u>Total</u>	<u>2006</u>	<u>2007</u>
Airbus A319	4	2	2
Boeing 737	2		2
<u>Number of aircraft</u>	<u>6</u>	<u>2</u>	<u>4</u>
CAPEX (MUSD)	160	51	109

SAS Group has more than SEK 14 billion in available funds

	<u>June 06</u>	<u>June 05</u>	<u>Change</u>
Liquid Funds MSEK	8 669	8 680	-11
Available Credit Facilities:			
Revolving Credit Facility (MEUR 400)	3 690	2 124	+1 566
Bi-lateral Facilities	1 500	2 086	-586
Others	444	389	+55
Total Available Facilities	5 634	4 600	1 034
Total Available Funds	14 303	13 280	+1 023
▶ Available facilities	MSEK 5 634		
▶ Utilized facilities	MSEK 1 048		
▶ Total facilities	MSEK 6 682		

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

SAS Group CAPEX holiday continues

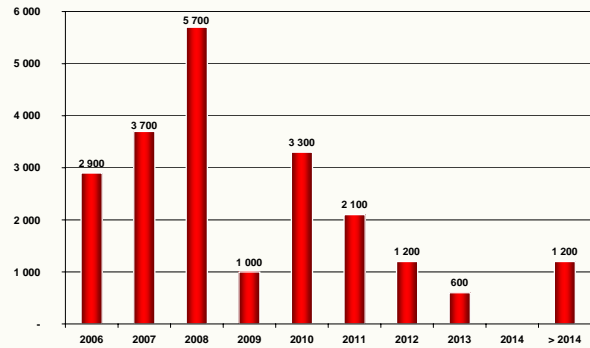


Key financial ratios and future targets

Key figures	<u>Jun 06</u>	<u>Dec 05</u>	<u>Target</u>
▶ Equity/assets ratio (solidity)	21%	21%	>30%
▶ Financial net debt/ equity	100%	118%	<50%
▶ Fin. net debt+7*Oplease/ equity	296%	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

Amortization profile of interest bearing liabilities



Financial Net January-June 2006 vs last year

(MSEK)	06-06-30	05-06-30	Difference
Interest net and others	-460	-624	+164
Exchange rate differences	-5	-25	+20
Financial net	- 465	-649	+184

Financial Net April-June 2006 vs last year

(MSEK)	Q2-2006	Q2-2005	Difference
Interest net and others	-234	-395	+161
Exchange rate differences	-5	-12	+7
Financial net	- 239	-407	+168

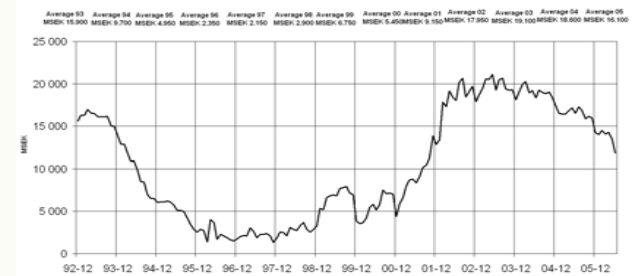
Development and Break Down of Financial Net Debt

(MSEK)	060630	051231	Difference
Cash	8 669	8 684	-15
Other interest bearing assets	2 097	3 425	-1 328
Interest bearing liabilities	-22 581	-26 337	+3 756
Financial Net debt	-11 815	-14 228	+ 2 413

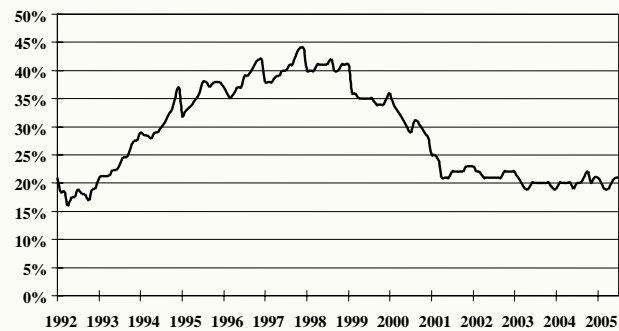
Development and Break Down of Financial Net Debt

(MSEK)	060630	050630	Difference
Cash	8 669	8 680	-11
Other interest bearing assets	2 097	3 008	-911
Interest bearing liabilities	-22 581	-28 198	+5 617
Financial Net debt	-11 815	-16 510	+ 4 695

Development of Financial Net Debt



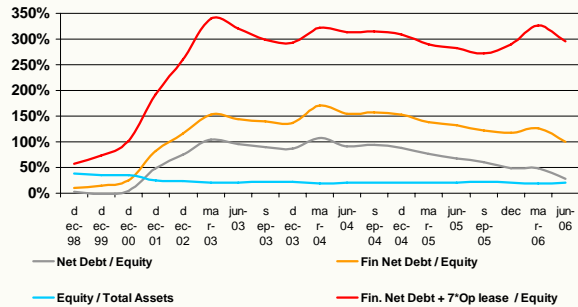
Equity/Asset ratio



Financial Net Debt/Equity ratio



Gearing ratios improved in 1st Half



Credit position – Sum up

- ▶ Solid liquidity of MSEK 8 669
- ▶ Substantial Committed credit facilities of MSEK 5 634
 - ▶ Credit facilities of MSEK 935 amortized in 1st Half
- ▶ Limited CAPEX in 2006-2007
- ▶ Streamlining of Group
 - ▶ SAS Group prepares IPO of Rezidor SAS
- ▶ 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

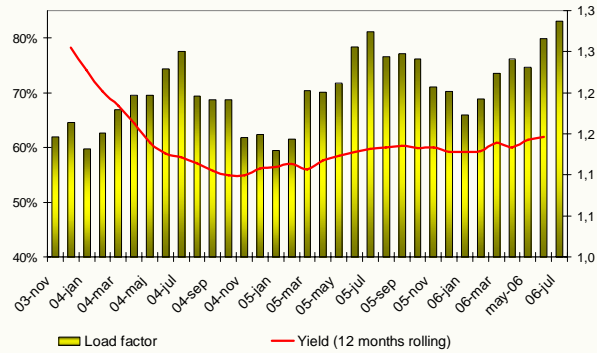
- Traffic Data
- Yield
- Unit cost
- Fleet
- Financial key figures

Yield development 2006 vs 2005

Scandinavian Airlines Businesses Total Scheduled

Jan-Jun	2006	2005	Change
Yield (öre/RPK)	115,1	109,4	5,2%
Currency adj. yield	115,1	113,3	1,6%
Apr-Jun	2006	2005	Change
Yield (öre/RPK)	115,4	110,4	4,5%
Currency adj. yield	115,4	113,2	1,9%

Improved load factors and stable yield

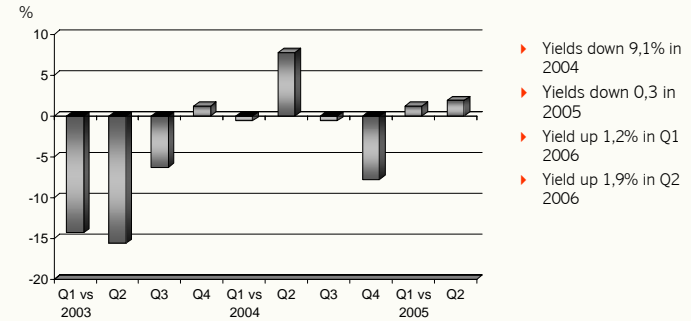


Scandinavian Airlines Businesses

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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

Scandinavian Airlines Businesses

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Passenger yield January-June 2006



Route Sector	Nominal yield	Currency effect	Adjusted yield
Scandinavian Airlines Busin.	105	97	102
Intercontinental	118	95	112
Europe	101	95	95
Intrascandinavian	95	96	91
Denmark	110	95	105
Norway	102	95	97
Sweden	117	99	116

Scandinavian Airlines Businesses

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Passenger yield April-June 2006







Route Sector	Nominal yield	Currency effect	Adjusted yield
Scandinavian Airlines Busin.	105	98	102
Intercontinental	119	96	114
Europe	101	95	97
Intrascandinavian	95	97	92
Denmark	105	96	101
Norway	99	95	94
Sweden	131	99	129

Scandinavian Airlines Businesses

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Yield development 2006 vs 2005

Yield, local currency	Apr-Jun	Jan-Jun
	7,8%	6,3%
	-7,3%	-3,0%
	-24,2%	-19,4%
	2,9%	0,0%

Subsidiary & Affiliated Airlines

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Unit cost development

Volume, curr and method adjusted	JAN-JUN 05	JAN-JUN 06	Var%	Share of total var %
Cost analysis				
Personnel	-3 861	-3 990	3,3%	0,8%
Fuel	-2 665	-3 290	23,5%	4,0%
Gov. Charges	-1 854	-1 777	-4,1%	-0,5%
Selling cost	-275	-271	-1,4%	0,0%
Ground Services	-2 664	-2 508	-5,9%	-1,0%
Technical	-2 106	-2 049	-2,7%	-0,4%
Other operating costs	-1 055	-1 536	45,6%	3,1%
TOTAL OPERATING EXPENSES	-14 879	-15 421	6,5%	6,1%
Aircraft costs	-1 010	-1 025	1,5%	0,1%
ADJUSTED EBIT	-15 489	-16 446	6,2%	6,2%

Volume, curr and method adjusted	APR-JUN 05	APR-JUN 06	Var%	Share of total var %
Cost analysis				
Personnel	-1 935	-1 964	2,5%	0,6%
Fuel	-1 406	-1 726	22,8%	4,1%
Gov. Charges	-977	-924	-5,4%	-0,7%
Selling cost	-159	-158	-0,5%	0,0%
Ground Services	-1 344	-1 231	-8,4%	-1,4%
Technical	-1 057	-1 027	-2,8%	-0,4%
Other operating costs	-484	-871	80,0%	4,9%
TOTAL OPERATING EXPENSES	-7 361	-7 921	7,6%	7,1%
Aircraft costs	-504	-515	2,2%	0,1%
ADJUSTED EBIT	-7 866	-8 436	7,3%	7,3%

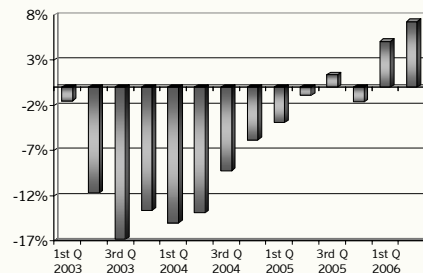
Scandinavian Airlines Businesses

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Unit up in 1st Half due to increased fuel costs, conflicts and reduced capacity

Total unit cost, Scandinavian Airlines Businesses



- ▶ Unit cost down 10,9% in 2004
- ▶ Unit cost down 1,7% in 2005
- ▶ Unit cost up 6,2% in 1st Half
 - Adjusted for fuel, unit cost was up by 2,2% due to conflict and reduced capacity

Scandinavian Airlines Businesses

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Bock hours overview

12 months rolling Jul 05 -Jun 06	Air craft/day	Pilots/year	Cabin/year
Scandinavian Airlines Businesses	7,9	548	628
Spanair	8,4	697	794
Widerøe	6,8	463	463
Blue1	7,9	644	621
airBaltic	8,8	789	736

SAS Group

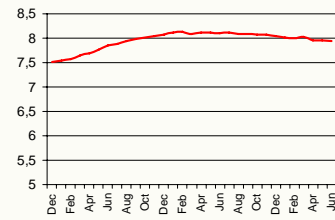
84



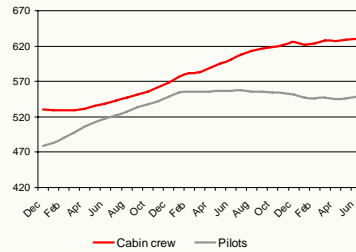
Key productivity ratios



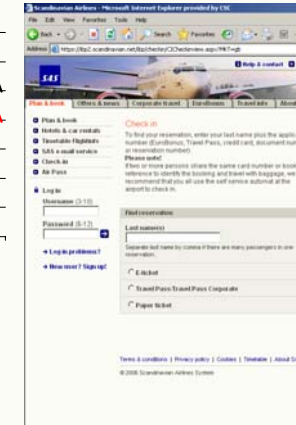
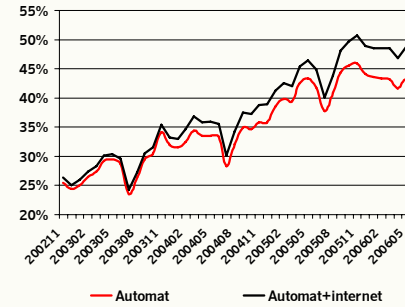
Aircraft utilization (12 month rolling)



Cabin, pilot utilization (12 month rolling)



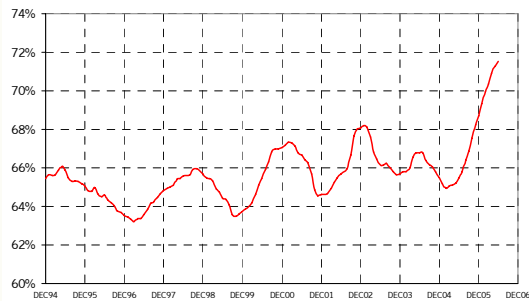
Self Service check in stable close to 50% Internet check in over 5%



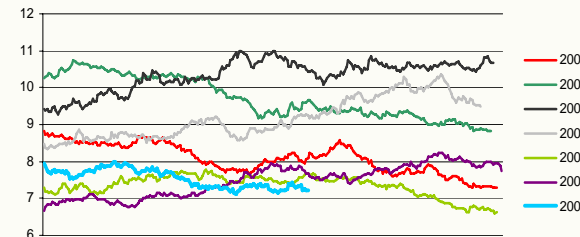
Long term passenger cabin factor trend positive



Moving 12 months values



USD gradually weaker in 2006



Currency effect – SAS Group
January-June 2006 vs 2005



MSEK	Jan-Jun
Total revenues	+1 015
Total costs	-1 231
<u>Forward cover costs & working cap.</u>	<u>+242</u>
Income before depr.	+26
<u>Financial items</u>	<u>+20</u>
Income before tax	+46

Currency effect – SAS Group
January-June 2006 vs 2005



Total revenues & costs: (Total -216 MSEK)		Working capital: (Total +174 MSEK)
Major approx. effects:		2005 -176
USD -467		2006 -2
DKK -24		
NOK +179		Financial items: (Total +20 MSEK)
EUR +33		2005 -25
Asian curr. +39		2006 -5
All others +24		
Forward cover costs: (Total +68 MSEK)		Grand total +46 MSEK
2005 -22		
2006 +46		

Currency effect – SAS Group
April-June 2006 vs 2005



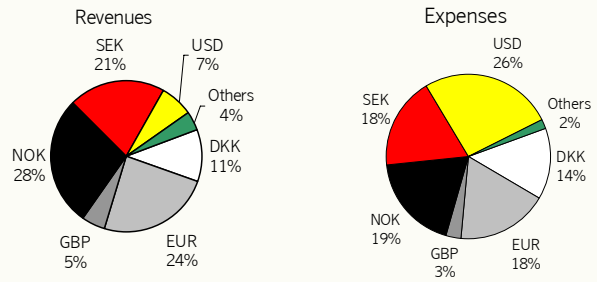
MSEK	Apr-Jun
Total revenues	+395
Total costs	-371
<u>Forward cover costs & working cap.</u>	<u>+62</u>
Income before depr.	+86
<u>Financial items</u>	<u>+7</u>
Income before tax	+93

Currency effect – SAS Group
April-June 2006 vs 2005



Total revenues & costs: (Total +24 MSEK)		Working capital: (Total +82 MSEK)
Major approx. effects:		2005 -113
USD -99		2006 -31
DKK -7		
NOK +101		Financial items: (Total +7 MSEK)
EUR +16		2005 -12
Asian curr. +7		2006 -5
All others +6		
Forward cover costs: (Total -20 MSEK)		Grand total +93 MSEK
2005 +26		
2006 +6		

Currency distribution in the SAS Group 2005



SAS Group fleet – June 2006

SAS Group fleet	Owned	Leased	Total	Leased out	On order
Airbus A330/A340	5	6	11		
Airbus A321/A320/A319	5	24	29		4
Boeing 737-serien	22	60	82	4	2
Boeing 717 (MD-95)		4	4		
Douglas MD-80-serien	27	62	89	5	
Douglas MD-90-serien	8		8	5	
Auro RJ-95/100		9	9		
Fokker F50	2	13	15		
deHavilland Q-serien	17	37	54		
SAAB 2000		5	5		
Total	86	220	306	14	6
Scandinavian Airlines	70	125	195	14	6
Spanair		54	54		
Widerøe	16	14	30		
Blue1		14	14		
airBaltic		13	13		
Total	86	220	306	14	6

SAS share

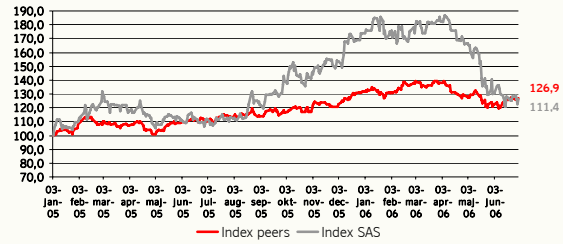


Development of Market Capitalization



SAS share vs index

SAS Market Capitalization vs. European Peers measured in SEK
(December 31, 2004 - June 30, 2006)



* Peers: Alitalia, Air France, British Airways, Easyjet, Finnair, Lufthansa & Ryanair

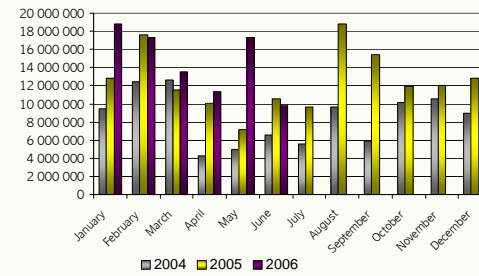
SAS Group

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The number of traded shares continue to increase

Number of shares traded in SAS per month



SAS Group

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