SAS AB:s interim report

April 29th 2008

A very challenging 1st Quarter

- The airline industry under pressure
  - Record high fuel prices
  - Increased competition
  - Increased overcapacity

Yield pressure

  - Profit warnings
  - Bankruptcies
  - Consolidation

- EBT bef. non rec Jan-Mar 2008: -973 MSEK
- Profit 2008 - Short term profit protection program to secure 2008 result
  - 1.1 billion result effect
  - Capacity adjustments 11 aircraft + 1 long haul aircraft postponed
  - 1000 FTE´s reduction
- Focus on S11 implementation

1st Quarter 2008 result

Result development MSEK	January-March 2008	2007	Change
Revenues	12 833	11 887	+946
EBT bef nonrecurring items (cont. operations)	-973	-96	-879
EBT-margin	-7.6%	-0.8%	-6.8 p.u.

EBT-margin (12 months rolling)	0,7%
EBT margin target	7%

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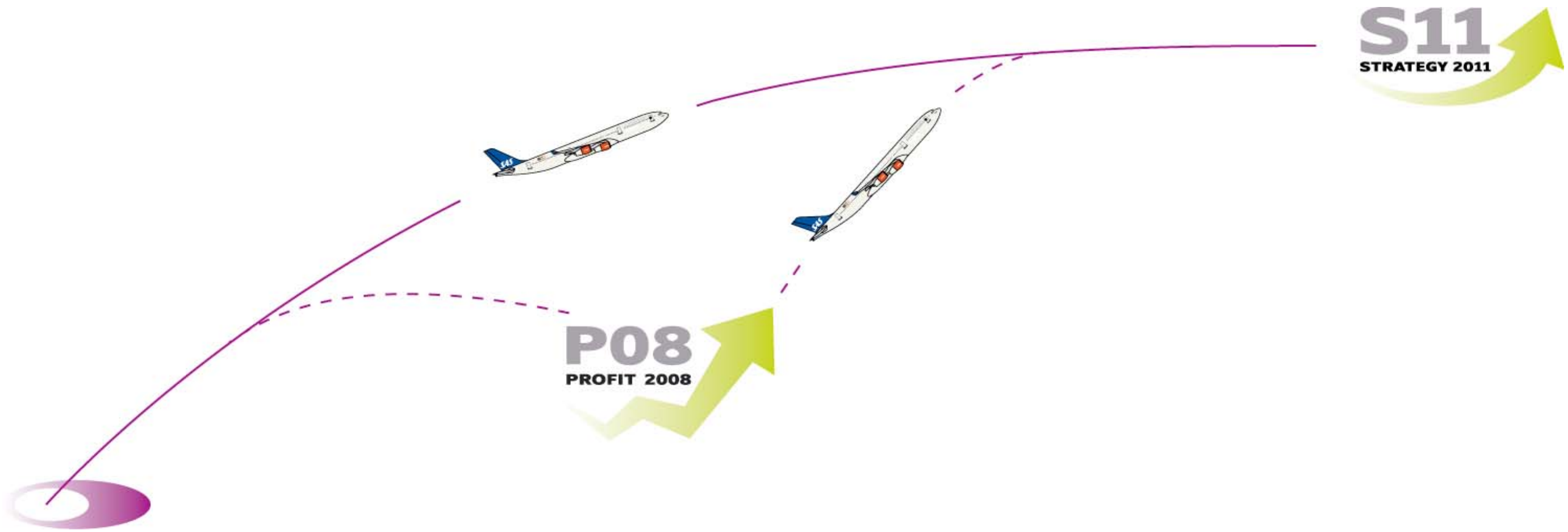
Profit 2008 –a step up of program launched in Q4

Short term measures on top of Strategy 2011 to get us back ”on course”

Secure performance in 2008



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Profit 08 – Decisive cost and capacity measures

- 1.1 Billion SEK in total program
  - Price adaptations
  - Traffic program changes
  - Other efficiency measures

- Capacity reduction of 11 aircraft as from autumn 2008 + one postponed intercontinental aircraft

→ Approx 1000 FTE reduction

Gunilla Berg

CFO

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Underlying result with negative trend

MSEK	2008	2007	Change
			January-March
Income before nonrecurring items in continuing operations	-973	-94	-879
Easter	300	-	+300
Q400 effects	50	0	50
ECA/bmi	50	131	-81
Underlying result development	**-573**	**-37**	**-610**

▪**Reasons for result development**

•Rapidly increased fuel prices to record levels

•Increased competition

•Increased overcapacity

Yield pressure

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Fuel cost SEK 0,4 bn higher in the 1st Quarter
- Expected to be appr SEK 10.7 bn in 2008 at current market levels

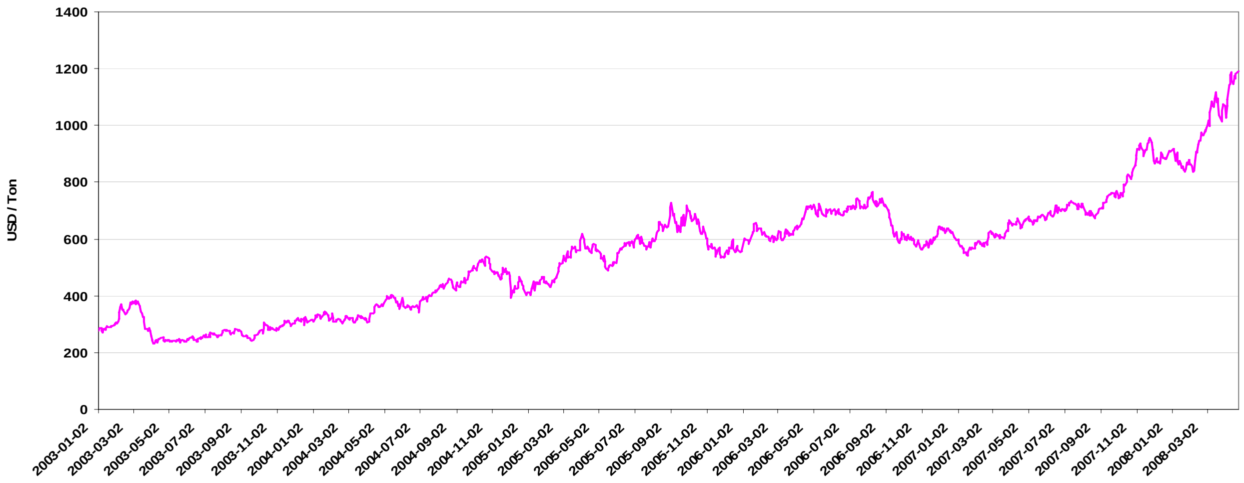
More challenging but strategy intact

- Hedging 40-60% of expected consumption (12 months rolling)
- Yield management
- Cost initiatives

Current hedges

- 42% of the consumption hedged for 2008
  - Of which appr. 10 p.u. with swaps
  - Of which appr. 22 p.u. with options
  - Remaining with 3-ways

Fuel prices at all time high



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Distribution of Profit 2008

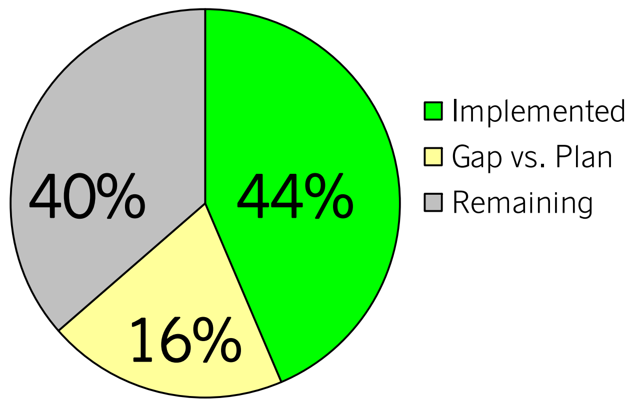
MSEK	2008
Price adaptations	400-500
Changes in traffic program	250
Reduction regarding overhead admin and sales	150
Other activities	250
Total	1050-1150

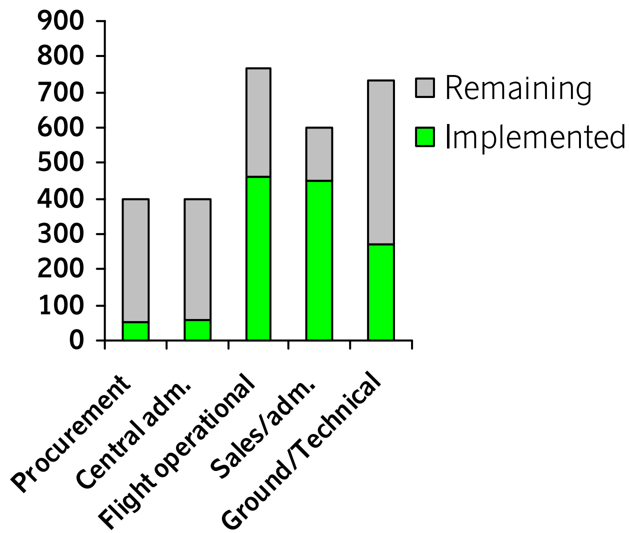
Capacity reduction

11 aircraft + **Traffic program changes** → **ASK: 6-7% vs.plan**

Structural measures of SEK 2.8 bn being implemented, but still behind plan

- Structural cost program of SEK 2,8 bn by 2009
  - Despite several developments (NDP e.g.) in Q1, still behind plan (as communicated in Q4)
- Main reasons behind plan
  - Productivity
  - SGS
- Cost GAP after this program 2010 onwards





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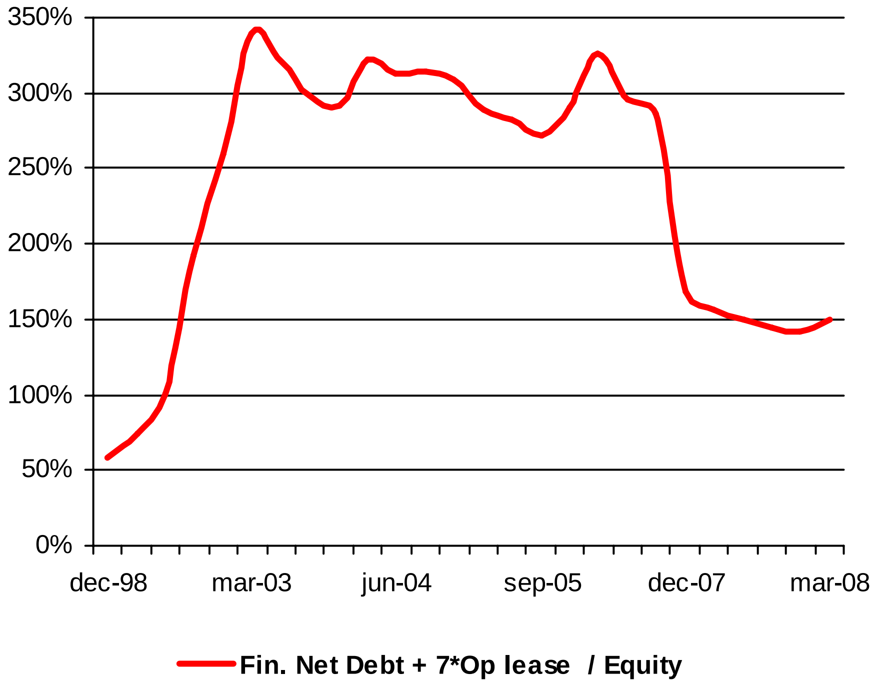
14 SEK billion in available funds

- Solid liquidity of MSEK 8 002
- Available credit facilities of MSEK 5 990
  - Financial covenants unsecured facilities (SEK 4.5 bn) linked to earnings/ leverage and liquidity
  - current performance provide good headroom vs covenants
- Interest bearing liabilities reduced by SEK 2.4 bn vs March 2007
- Financial net debt 1,1 SEK billion
- No financial covenants on gross debt



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Sum up 1st Quarter

Market	▪ Challenging time in the industry ▪ Rapid increase of fuel prices to new records ▪ Increased overcapacity/ competition => Weaker yields
Profit 2008	▪ 11 aircraft will be taken out ▪ Capacity reduced by 6-7% ▪ 1.1 SEK billion result effect ▪ Redundancy 1000 FTE`S
Strategy 2011	▪ 2,8 SEK billion cost program ▪ Cultural turnaround ▪ Customer focus –product and quality improvements

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