



SAS Group 4th interim report 2010

Press/analyst presentation
February 9, 2011

Rickard Gustafson, new CEO February 1st
Strong platform to take SAS into the next phase



2008-2010 an unprecedented challenging period

Major changes performed with Core SAS
Core SAS provides strong results – to be fully implemented
Negative EBT result in 2010 of MSEK 3,060
Positive result before non rec and ash cloud of MSEK 265

Strong platform established – new phase emerging

SAS with unbeatable leadership in network, market and concepts
Cost gap to competitors reduced – next - improved efficiency part of daily business – competition to remain tough
Next phase – define new steps after Core SAS

Focus areas in 2011

- Create capacity for profitable growth
- Drive collaboration & communication
- Focus on people & performance
- Passionate customer focus



John S Dueholm
Deputy CEO SAS
Group



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Positive result in quarter and full year
before extra ordinary items



Improved market conditions

- Increasing traffic (RPK +10.9% in Q4)
- More transported passengers up (+8.3% in Q4)
- Improved load factors (2.3 p.u. in Q4)
- Passenger yield still under pressure (-6.7% in Q4)
- RASK stabilized on a low level (+0.9% in Q4)

Increased competitiveness

- Core SAS on track
- World class punctuality
- Customer satisfaction index improved
- SEK 3.1 bn cost savings implemented during 2010
- Unit cost down 8.3% in Q4

Improving underlying result

- Positive EBT of MSEK 265 (-1,754) in 2010 before non-recurring items and ash cloud
- Positive EBT of MSEK 258 (-940) in Q4 before non-recurring items

Scandinavian Airlines currency adjusted figures for yield, RASK and unit cost

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Significantly improved result despite falling revenues due to Core SAS cost program



Result Development (MSEK)	Jan-Dec 2010	Jan-Dec 2009
Revenues	40,723	44,918
EBT	-3,060	-3,423
EBT before non-recurring items	-435	-1,754
<i>EBT Margin before non-recurring items</i>	-1,1%	-3,9%
EBT before non-recurring items and ash cloud effects	265	-1,754

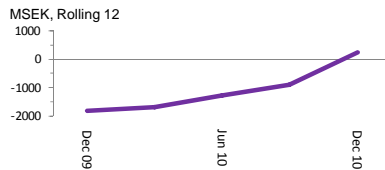


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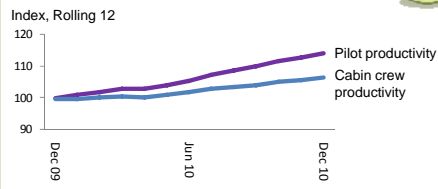
Key figures indicate strong improvement in underlying business



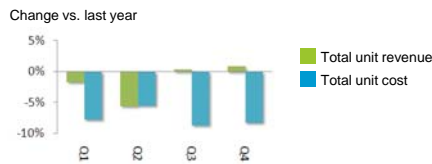
Positive result before non-recurring items and ash cloud effects



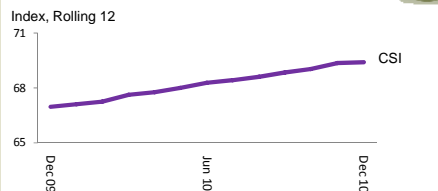
Increased resource utilization



Improving relation between unit revenue and unit cost



Improving customer satisfaction



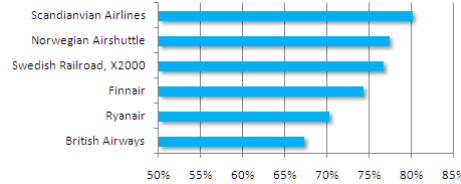
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Despite challenging conditions, 97.3% of scheduled flights performed in Q4



The most punctual airline in Europe 2010

As an effect of the consistent and high quality throughout the year, SAS was named the most punctual airline in Europe during 2010 by Flightstats



Flying with SAS was one of the most reliable means of transportation when Europe was hit by heavy snow and wind

SAS was able to quickly support affected customers through innovative communication channels:

- More than 9000 daily views on SAS Facebook page
- 99% requests received reply within 5 minutes
- 900,000 SMS sent to customers with updated flight information during the period

¹ 15 min punctuality; SAS, Norwegian and X2000: Company reported figures; Finnair, Ryan and BA: Flightstats data;

Increasing traffic and record load factors - evidence of the current market recovery



SAS Group Traffic Development per market during Q4

SAS Group All markets	Q4	Full year
Traffic:	+10.9%	+1.9%
Capacity:	+7.4%	-2.6%
Load factor:	+2.3 p.u.	+3.3 p.u.

Q4 -Intercontinental
Traffic: +15.4%
Capacity: +12.6%
Load factor: +2.1 p.u.

Q4 -Domestic Norway
Traffic: +6.5%
Capacity: +0.8%
Load factor: +3.5 p.u.

Q4 -Intra-Scandinavian
Traffic: +12.1%
Capacity: +11.0%
Load factor: +0.6 p.u.

Q4 -Domestic Sweden
Traffic: +14.1%
Capacity: +3.5%
Load factor: +6.5 p.u.

Q4 -Domestic Denmark
Traffic: -3.7%
Capacity: -17.5%
Load factor: +10.7 p.u.

Q4 -Europe
Traffic: +8.4%
Capacity: +7.0%
Load factor: +0.9 p.u.

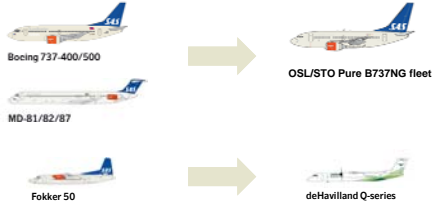
- Increasing traffic and improved load factors in most markets
- Intercontinental and Swedish routes strongest development during 2010
- Norwegian market is stabilizing but Denmark is still challenging

Simplification of fleet structure through reduction of types and subtypes



Uniform fleet at production base Oslo and Stockholm

Enabled by phase-out of Boeing 737 Classic and MD80 (2008-2014)
Negotiations regarding replacement aircraft initiated with manufacturers and leasing companies
Phase-out of Fokker 50 (2010)
Fokker 50 routes are now operated by Widerøe existing aircraft types



Uniform fleet in Blue1

Enabled by phase-out of Avro and MD-90 (2010-2012)
B717 phase-in process in progress



Reduction of subtypes throughout the Group

Subtypes originating from regional market adaptations no longer feasible in Core SAS.
Process for moving toward standardized versions in progress



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Mats Lönnqvist
CFO SAS
Group



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Improving operational result driven by cost reductions and based on a stable financial platform



Yield pressure offset by improved load factor

Total unit revenue, RASK, improvement of 0.9%¹ in Q4

- ▢ Passenger yield down
- ▢ Load factor up
- ▢ Improving cargo yield

Core SAS cost savings program of SEK 7.8 bn on track

8.3%¹ total unit cost reduction in Q4

- ▢ 86% of the total cost savings have been implemented
- ▢ 87% of FTE reduction completed
- ▢ Remaining earnings effect of ~2.0 bn SEK during 2011-12

Stable financial platform

25% of revenue in financial preparedness

- ▢ SEK 10.1 bn in total financial preparedness
- ▢ SEK 14.4 bn in equity
- ▢ 35% equity ratio

¹Currency adjusted for Scandinavian Airlines compared to the same period in 2009. RASK adjusted for positive non-periodic items. Reported RASK in Q4 was +3.9%

Positive traffic development – still pressure on passenger yield



SAS Group

Traffic (RPK)

Passenger load factor

Scandinavian Airlines

Passenger yield

Total unit revenue (RASK)

Total unit cost

	Jan-Mar 2010	Apr-Jun 2010	Jul-Sep 2010	Oct-Dec 2010
Traffic (RPK)	↓ -1.3%	↓ -6.3%	↑ +5.4%	↑ +10.9%
Passenger load factor	↑ +6.3 p.u.	↑ +1.8p.u.	↑ +2.2 p.u.	↑ +2.3 p.u.
Passenger yield	↓ -11.4%	↓ -6.6%	↓ -4.3%	↓ -6.7%
Total unit revenue (RASK)	↓ -1.7%	↓ -5.6%	→ +0.4% ¹	→ +0.9% ¹
Total unit cost	↓ -7.8%	↓ -5.5%	↓ -8.7%	↓ -8.3%

All figures currency adjusted and compared to same periods in 2009

¹ RASK adjusted for positive non-periodic items in Q3 and Q4. Reported RASK in Q3 and Q4 was +3.2% and +3.9% respectively

Unit cost reduction continues

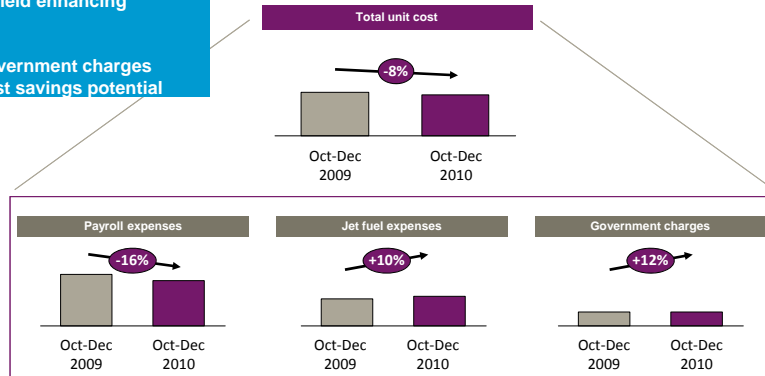
- Despite increasing jet fuel costs and government user fees



Personnel cost reduction driver in cost savings

Increasing fuel cost will be mitigated by yield enhancing measures

Increasing government charges blocks full cost savings potential



Currency adjusted unit cost, Scandinavian Airlines

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Dramatic fuel price increase during Q4

- Hedging and yield development will delay and mitigate impact



20% fuel price increase during 2010

During 2010 the jet fuel price increased 20%, primarily in Q4. Market expect trend to continue during 2011

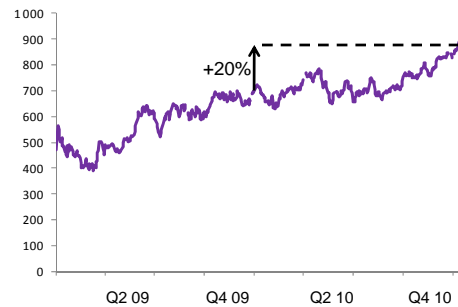
54% of SAS estimated consumption hedged - will delay cost impact

At year end 2010, 54% of SAS estimated fuel consumption for 2011 were hedged at an average level of 780 USD/Ton
SAS fuel hedges had a positive market value per Dec 31 of 68 MUSD

Industry yields expected to rise - will mitigate earnings impact

Several airlines are taking yield enhancing measures such as fuel surcharges
SAS will increase fuel surcharges by EUR 3-5 on domestic and European tickets as of February 22

Jet fuel spot price (USD/Ton)



Fuel hedging delays the cost impact and mitigates fluctuations in price. SAS policy allows hedging of 40-70% of estimated consumption during next 12 months

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Positive full year result of MSEK 265 before non recurring items and ash cloud



(MSEK)	Oct-Dec 2010	Oct-Dec 2009	Jan-Dec 2010	Jan-Dec 2009
Total operating revenue	10,559	10,323	40,723	44,918
Payroll expenses	- 3,172	-3,880	- 12,997	- 16,553
Fuel	- 1,716	- 1,503	- 6,601	- 7,685
Government charges	- 1,070	-993	- 4,198	- 4,399
Other operating expenses	- 3,390	-3,734	- 13,090	- 13,090
Total operating expenses	- 9,348	-10,110	- 36,886	- 42,291
Leasing costs, aircraft	- 425	- 456	- 1,768	- 2,178
Depreciation	- 408	- 528	- 1,667	- 1,766
Other	- 119	- 170	- 836	- 437
EBT before non-recurring items	258	- 940	- 435	- 1,754
Ash cloud effect	-	-	700	-
EBT before non-recurring items and ash cloud effects	258	- 940	265	- 1,754
Non-recurring items	- 722	- 579	- 2,625	- 1,669
EBT (including non-recurring items)	- 464	- 1,519	- 3,060	- 3,423

Non-recurring items excluded above EBT, Continuing business

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Reduced exposure in 2011 to extraordinary costs



Item	Result effect 2010	Status and expectations of 2011
Q2 Volcanic Ash cloud traffic disruption	-700 MSEK	Due to changed flight regulations, a similar event would have limited impact on SAS traffic
Q3 SAS Cargo EU-commission	-660 MSEK	All authority investigations regarding the cargo cartel are completed
Q3 SAS Cargo civil class actions	-104 MSEK	Cases are opened in UK, Netherlands and Norway
Q3 Norwegian Air Shuttle lawsuit	-218 MSEK	No on-going legal process of similar magnitude
Q3 Spanair impairment of shares	-229 MSEK	Remaining exposure of approximately SEK 1.8bn in case of Spanair bankruptcy.
Q4 Extreme weather conditions	-70-80 MSEK	Winter 2010 had the worst weather conditions in Europe for many years
Q4 Impairment of aircraft	-200 MSEK	SAS is simplifying fleet structure. May include write-downs in 2011 up to approximately MSEK 250
Core SAS restructuring costs	-852 MSEK	Core SAS restructuring costs (excluding impairment of aircraft) 2011 expected to MSEK 150-350
Core SAS related capital losses	-355 MSEK	Majority of non-core assets divested

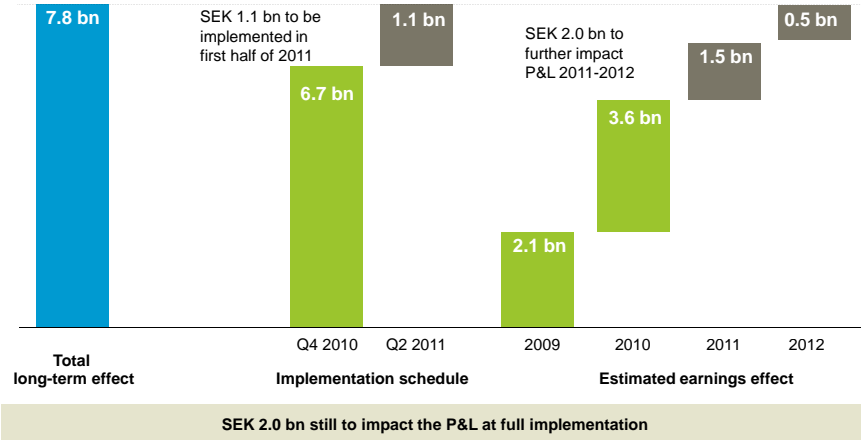
- Majority of 2010 non-recurring items within expectations and handled in financial plan
- Extraordinary costs are expected to be significantly lower in 2011

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86% of cost program implemented SEK 2.0 bn earnings effect remaining



Implementation of Core SAS cost program (SEK)



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2011 Outlook



- Strong GDP Growth in Scandinavia – now a growing aviation market
- SAS Capacity growth 2011 of approximately 6%
- Still competitive environment - risk of overcapacity and continued yield pressure
- Uncertainties regarding jet fuel development
- 2011 expected to be profitable subject to no unforeseen events and jet fuel price shocks

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Appendices



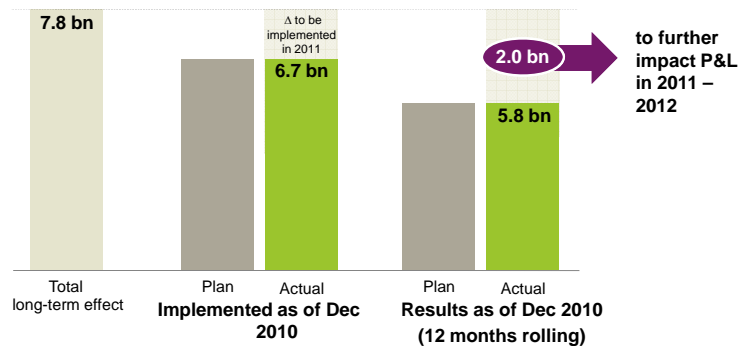
- Core SAS strategy
- Product improvements
- Fleet & productivity
- Unit revenue (yield & RASK)
- Traffic
- Financial update
- Currency & Fuel

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86% of cost program implemented SEK 2.0 bn earnings effect remaining



Implementation of Core SAS cost program (SEK)



SEK 2.0 bn still to impact the P&L at full implementation

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86% of targeted cost saving measures implemented



Core SAS	Core SAS cost savings program (MSEK)	Potential	Implemented	
			Sep 2010	Dec 2010
<ul style="list-style-type: none"> Additional MSEK 400 implemented during the 4th quarter, taking the total to SEK 6.7 bn or 86%. Additional 300FTE reduced during the 4th quarter, taking the total to 4,000 FTE or 87% of the planned reduction of 4,600 FTE. Earnings effect of SEK 0.8 bn during the 4th quarter, compared to same period 2009. Remaining effects of SEK ~2.0bn in 2011-2012 Unit cost, down 8.3%¹ in the 4th quarter. 	Cabin crew/Flight deck	~1,900	~1,900	~1,900
	Ground services	~900	~450	~550
	SAS Tech	~1,800	~1,300	~1,350
	Sales, marketing & Commercial	~700	~600	~650
	Purchasing	~400	~400	~400
	Blue1, Widerøe, Cargo	~600	~550	~550
	Administration	~1,400	~1,050	~1,250
	Other	~100	~50	~50
	Total	~7,800	~6,300	~6,700

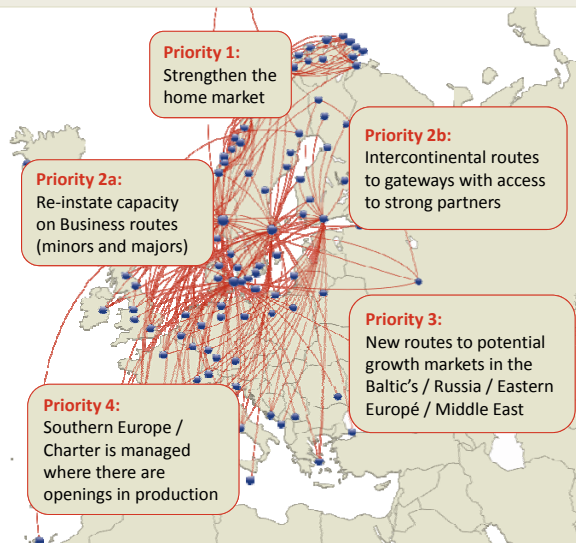
¹ For Scandinavian Airlines compared with the same period in 2009, adjusted for currency.

Drivers and prioritization of expansion



Drivers:

- Profitable expansion – the expansion shall strengthen SAS long term profitability position
- The routes shall strengthen SAS home market position
- Expansion is based primarily on "business" destinations
- A combination of own production and partners shall be used



Through the implementation of Core SAS,
SAS is positioned for growth



➤ Reduced unit cost – additional savings under implementation

➤ World class quality

➤ Attractive commercial offerings and significantly improved CSI

SAS ambition is to minimum grow in pace with the market growth



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Appendices



- Core SAS strategy
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Product update

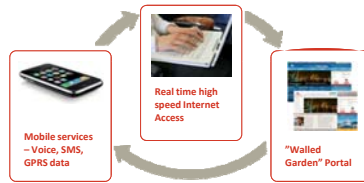


Environmental

SAS Group airlines SAS, Blue1 and Widerøe are the only airlines in the world with both ISO 14001 and EMAS



Intercontinental expansion
Oslo – New York, March 2011
Copenhagen – Shanghai, Winter 2011



Internet
Wireless Inflight Communication and Iphone applicaton

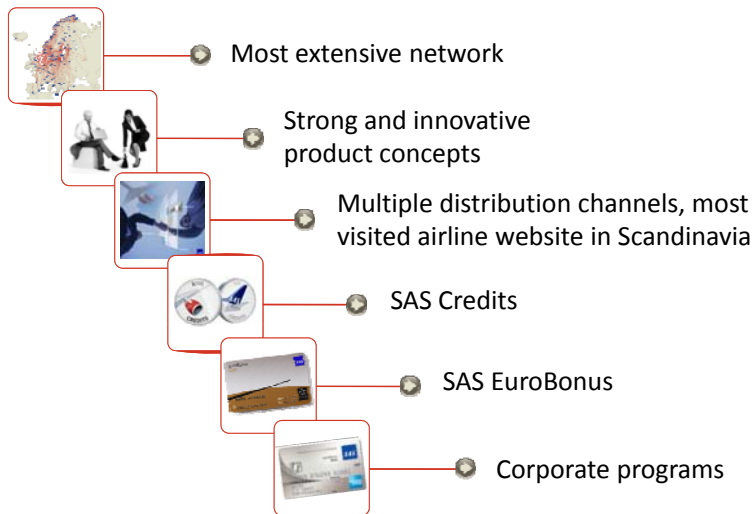
Shorthaul
150 new frequencies during spring 2011

Oslo-Moscow in March 2011



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Differenced product range - further strengthen SAS position in Scandinavia



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Appendices



- Core SAS strategy
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SAS Group fleet – December 2010



Aircraft Type	Owned	Leased	Wet leased	TOTAL	Leased out	Age	On order
Airbus A330/340	5	6		11	1	8.6	
Airbus A319/320/321	4	10		14	2	7.5	
Boeing 737 Classic	1	12		13		17.6	
Boeing 737 NG	22	45		67	2	9.7	
Boeing 717		9		9	3	10.3	
MD-82/87	27	14		41	8	20.8	
MD-90	8			8	5	13.9	
Avro RJ85		5		5		9.1	
Fokker 50		5		5		20.8	
Q100/300/400	24	12		36	2	13.0	
SAAB 2000			2	2		13.8	
Bombardier CRJ200			4	4		12.9	
Bombardier CRJ900 NG	12			12		1.6	
ATR42/72			3			0.9	
Total aircraft	103	118	9	230	23	12.4	0

In operation	Total	Age
Scandinavian Airlines	140	11.5
Widerøe	33	13.3
Blue1	14	8.3

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Productivity is improving



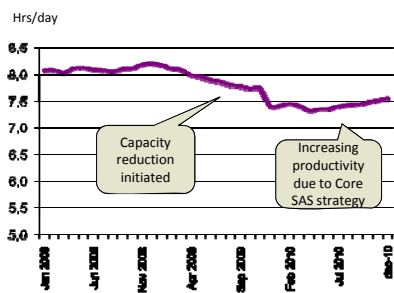
Block hours, 12 months rolling, 2010	Aircraft, hours/day	Pilots, hours/year	Cabin, hours/year
Scandinavian Airlines	7.55	630	640
Widerøe	6.03	420	441
Blue1	7.39	612	729

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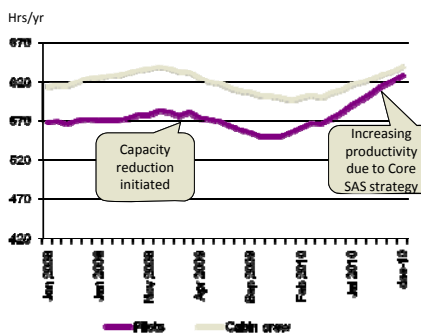
Key productivity ratios improving for Scandinavian Airlines



Aircraft utilization (12 months rolling)



Cabin, pilot utilization (12 months rolling)



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Yield and RASK development



Yield, currency adj	
Oct-Dec	Jan-Dec
 -6.7%	-7.4%

Yield, NOK	
Oct-Dec	Jan-Dec
 10.6%	1.9%

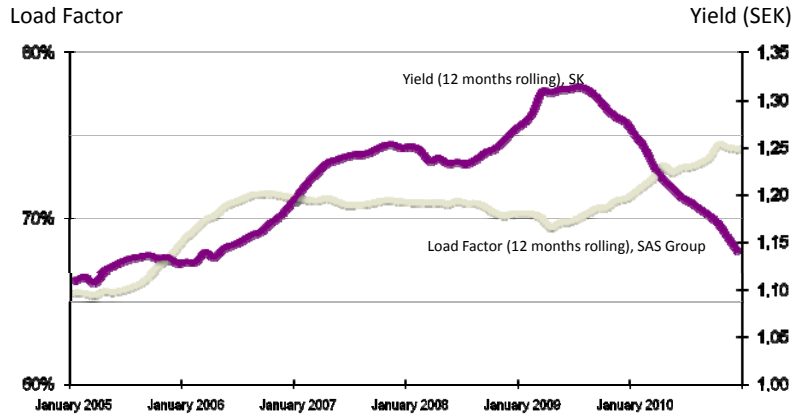
RASK, currency adj	
Oct-Dec	Jan-Dec
 3.9%	-0.2%

Yield, EUR	
Oct-Dec	Jan-Dec
 -2.9%	-6.7%



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Positive long term trend in load factor



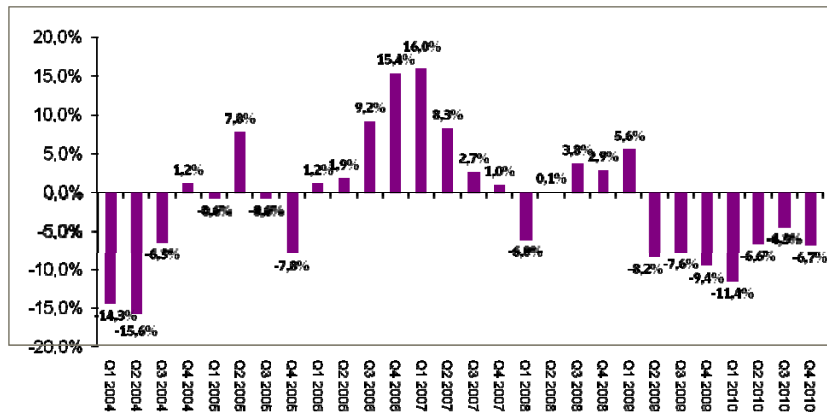
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Yield development

Scandinavian Airlines



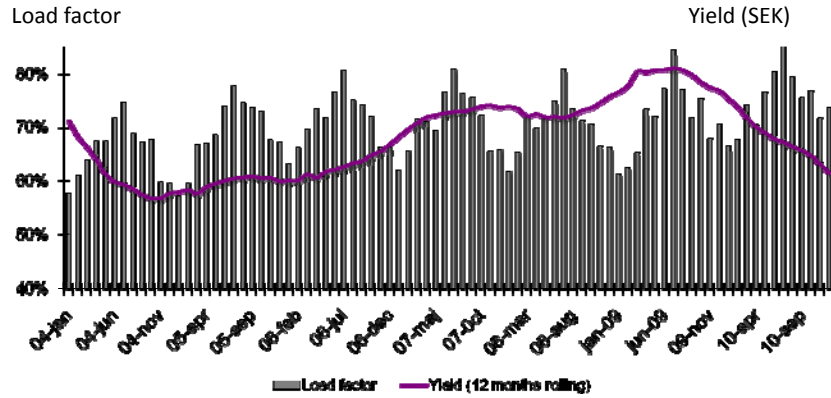
Scandinavian Airlines, currency adjusted yield vs last year



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Scandinavian Airlines

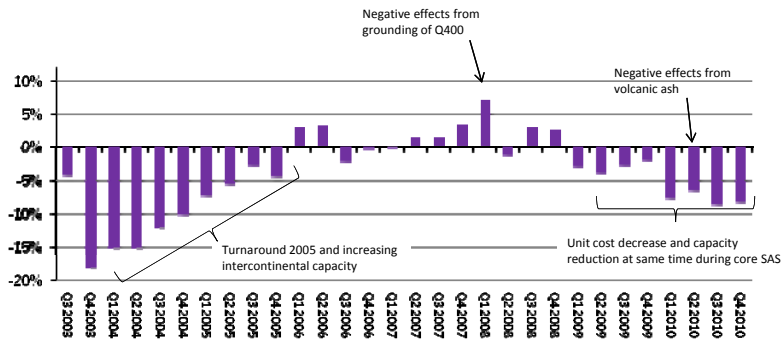
- improving load factor, but weak yield



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Scandinavian Airlines

Total unit cost down 7.8% during 2010

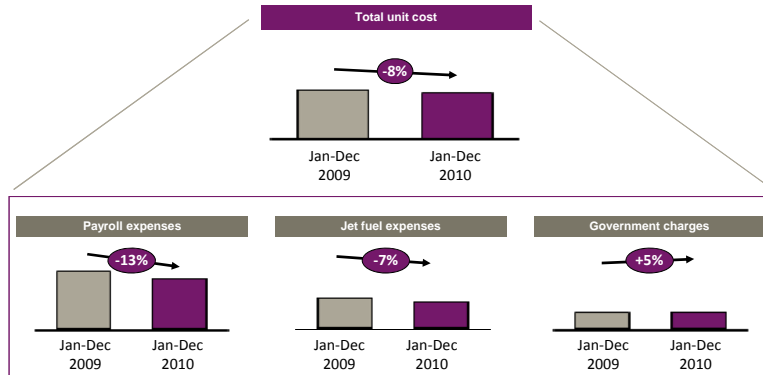


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Unit cost reduction continues



Currency adjusted unit cost, Scandinavian Airlines



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Unit cost down 8.3% in Q4

Despite increasing jet fuel costs and government user fees



Scandinavian Airlines, currency adjusted

Unit cost breakdown	Oct-Dec 2010	Oct-Dec 2009	Var, %	Share of total var, %
Payroll expenses	-2 691	-3 203	-16.0%	-6.5%
Jet fuel	-1 532	-1 389	10.2%	1.8%
Government user fees	-882	-790	11.6%	1.2%
Selling costs	-98	-100	-1.7%	0,0%
Handling costs	-351	-395	-11.0%	-0,5%
Technical aircraft maint.	-463	-709	-34.7%	-3.1%
Other operating expenses ¹	-482	-387	24.5%	1.2%
Total operating expenses	-6 499	-6 973	-6.8%	-6.0%
Leasing costs for aircraft	-407	-439	-7.4%	-0,4%
Depreciation	-354	-501	-29.3%	-1.9%
Adjusted EBIT	-7 259	-7 913	-8,3%	-8,3%

¹ Net of other operating revenues

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Large decrease in unit cost in 2010



Scandinavian Airlines, currency adjusted

Unit cost breakdown	Jan-Dec 2010	Jan-Dec 2009	Var, %	Share of total var, %
Payroll expenses	-11 111	-12 737	-12.8%	-5.1%
Jet fuel	-5 900	-6 372	-7.4%	-1.5%
Government user fees	-3 502	-3 331	5.1%	0.5%
Selling costs	-397	-434	-8.5%	-0.1%
Handling costs	-1 533	-1 678	-8.7%	-0.5%
Technical aircraft maint.	-2 080	-2 586	-19.6%	-1.6%
Other operating expenses ¹	-1 911	-1 645	16.2%	0.8%
Total operating expenses	-26 433	-28 783	-8.2%	-7.3%
Leasing costs for aircraft	-1 678	-1 788	-6.2%	-0.3%
Depreciation	-1 470	-1 502	-2.1%	-0.1%
Adjusted EBIT	-29 581	-32 073	-7.8%	-7.8%

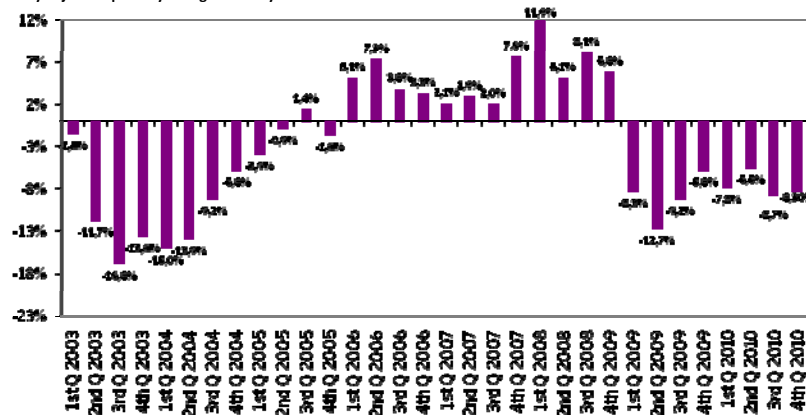
¹ Net of other operating revenues

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Unit cost continues to decrease significantly



Scandinavian Airlines,
Currency adjusted quarterly change vs. last year



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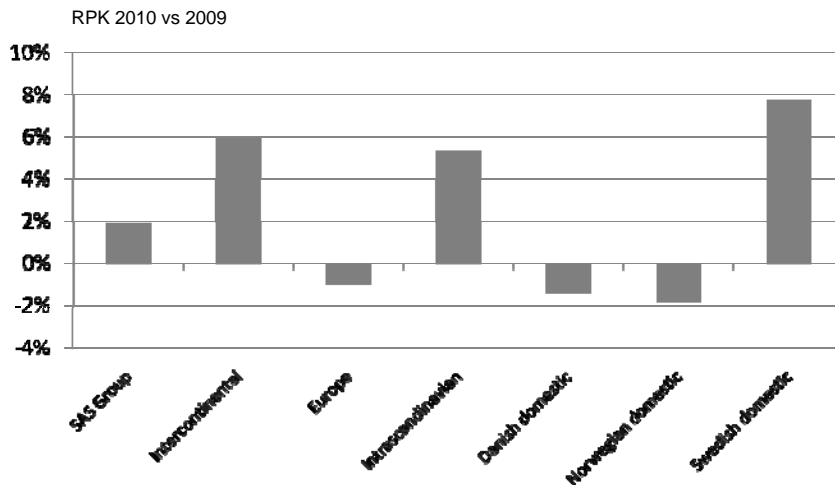
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- Traffic and capacity outlook
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Distribution of traffic growth within the SAS Group 2010



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ASK outlook 2011

- Increase in 2011 with existing resources except for additional aircraft



Scheduled	2011 vs 2010
SAS Group	approximately 6%
Scandinavian Airlines	+4% to +6%
Widerøe	+15% to +20%
Blue1	+15% to +20%

Scandinavian Airlines underlying capacity increase 2% in 2011

<i>Gross planned increase</i>	+4-6%
- Ash cloud effect	1.4%
- Intercontinental aircraft	2.5%
- Move of F50 to WF	-0.3%
<i>Underlying short haul increase:</i>	~2%

- Except for addition of 5 aircraft (including intercontinental), the capacity increase is managed with existing resources through increased productivity
- Other costs than aircraft represents an absolute majority of the operational costs
- Widerøe's capacity increase driven by incorporation of SAS Fokker 50 production
- Group charter capacity to be decreased by close to 1% during 2011

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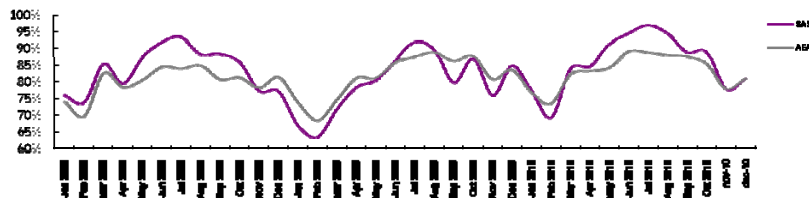
North Atlantic

Oslo-New York to commence in March 2011



- Copenhagen to New York, Washington DC and Chicago
- Stockholm to New York and Chicago
 - Increased frequencies this winter season
- Oslo-New York from March 2011
- Traffic development 2010
 - SK traffic up 3.8%
 - AEA traffic up 0.3%

Load factor



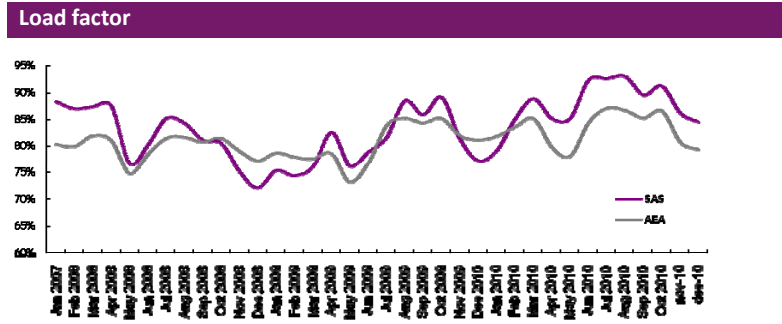
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Asian routes

– SAS traffic growing more than the market



- Scandinavian Airlines serving Bangkok, Beijing, Tokyo and Dubai (seasonal) from Copenhagen
- Shanghai to be introduced in winter 2011/12
- Traffic development in 2010:
 - AEA traffic up 2.6%
 - SAS traffic up 8.9%



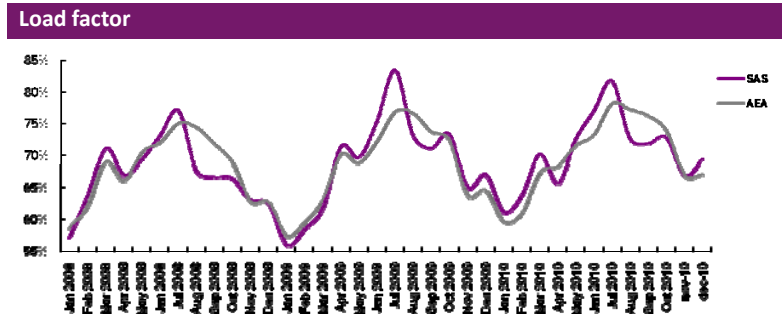
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Cross border European routes

– Core SAS measures have a clear positive effect


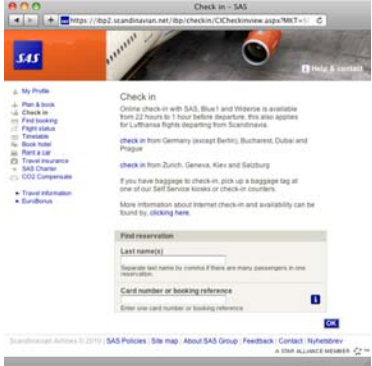
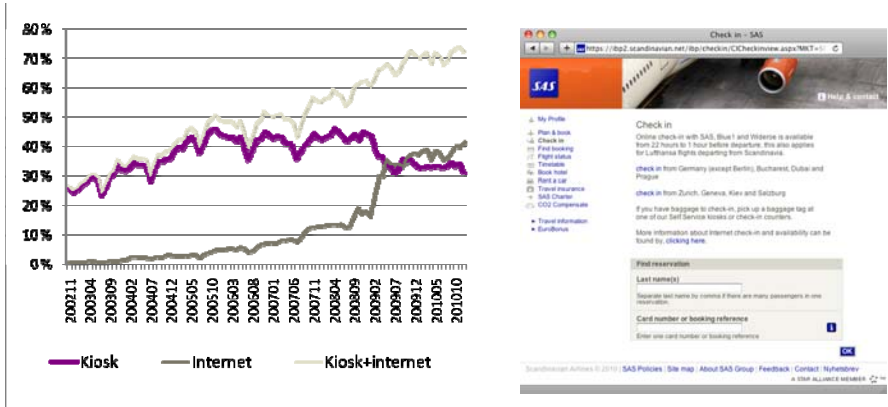


- Robust growth for SAS in the second half of 2010
- Traffic development 2010:
 - AEA traffic up 2.9%
 - SAS traffic down 2.1% due to capacity cuts of unprofitable routes and closure of traffic in April due to ash cloud




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Self service check-in continues to increase

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Appendices



- 🔵 Core SAS strategy
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Summary of the SAS Group's balance sheet



MSEK	31 Dec 2010	31 Dec 2009	30 Sep 2009
Aircraft and Spare parts	14 046	14 386	14 332
Other non interest-bearing assets	8 200	9 621	10 222
Interest-bearing assets	14 528	14 289	13 349
Cash and cash equivalents	5 051	4 199	5 481
Total Assets	41 825	42 495	43 384
Total shareholders' equity ¹	14 438	11 389	12 343
Deferred tax	2 306	2 835	3 070
Other interest-bearing liabilities	11 897	14 660	14 003
Operating liabilities	13 184	13 611	13 968
Total shareholders' equity and liabilities	41 825	42 495	43 384

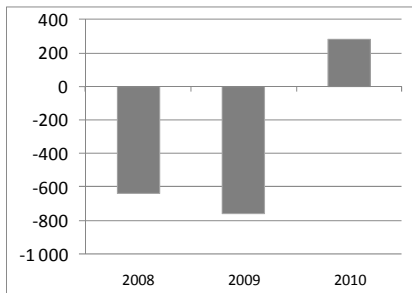
¹ Including minority interests

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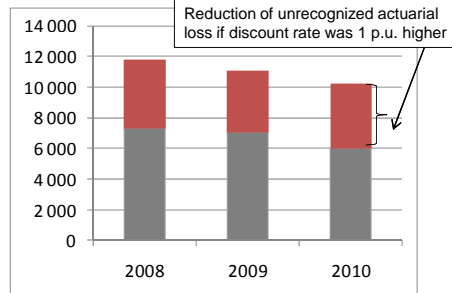
Possible new IAS accounting rules from 2013 SAS pension assets above DBO Unrecognized actuarial gain decreasing



Difference between funded assets and DBO (cash), MSEK



Unrecognized actuarial loss 2008-2010 (accounting), MSEK



Discount rate changes performed in 2010:
From 5,5% to 5% in Norway
From 4,5% to 4,25% in Sweden

Sensitivities

- A 1 p.u. increase in the discount rate (from 4.9% to 5.9%) corresponds to approximately SEK 4.3 bn reduction in the unrecognized actuarial gain
- A 46% growth in the equity market corresponds to an approximately SEK 4.3 bn reduction in the unrecognized actuarial gain.
- 29% of funded assets invested in equity market

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Possible new IAS accounting rule from 2013
Limited effects from inclusion of operational lease obligations on the balance sheet



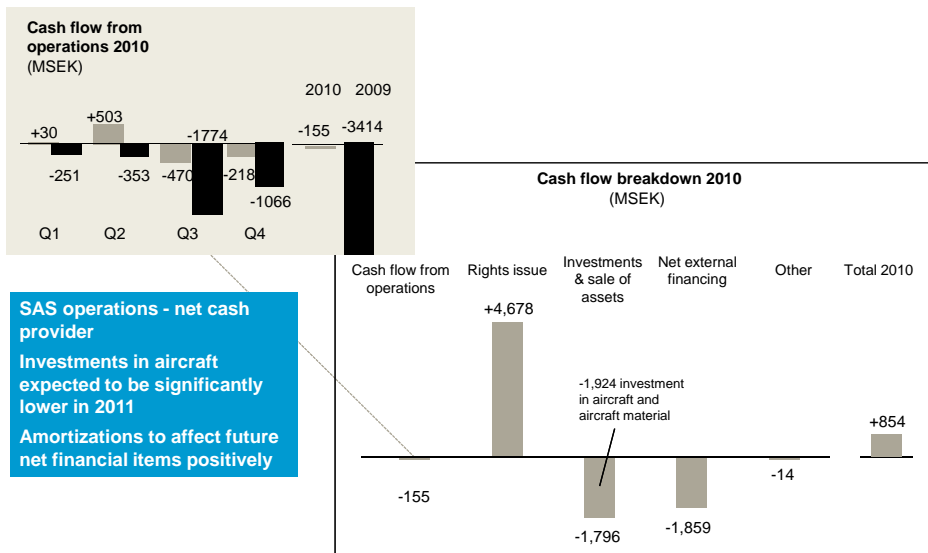
- Many of the SAS Group's key figures already include off balance sheet aircraft leasing obligations
- Banks, credit agencies and investors adjust for off sheet balance sheet commitments already
 - Accounting rule change to have limited "real" economic impact
 - No changes expected relating to the SAS Group's credit rating or ability to new debt financing

- NPV of leasing obligations relating to properties of is approx. SEK 6bn

- Financial net debt to increase by roughly SEK 6 bn for properties from current SEK 2.9 bn to SEK 8.9 bn (as of December 2010)

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Improved cash flow from operations
 Cash primarily used for investments and amortizations



Overview of available funds – Dec 2010



Available funds, SEK billion	Dec 2010	Maturity
Liquid funds	5.0	
Undrawn portion of credit facilities		
Revolving Credit Facility, 366 MEUR (total SEK 3.5bn)	3.3	Jun 2013
Revolving Credit Facility, 121 MUSD (total SEK 1 bn)	0.0	Apr 2013
Credit Facility, 125 MUSD (total SEK 1.0 bn)	0.4	Jun 2016*
Bi-lateral Revolving Credit Facilities (total SEK 1.3 bn)	1.3	Jun 2013
Others	0.2	Dec 2011
Total undrawn credit facilities	5.2	N/A
Total available funds	10.2	
Total credit facilities	6.7	
Drawn portion of credit facilities	1.5	
Undrawn portion of credit facilities	5.2	

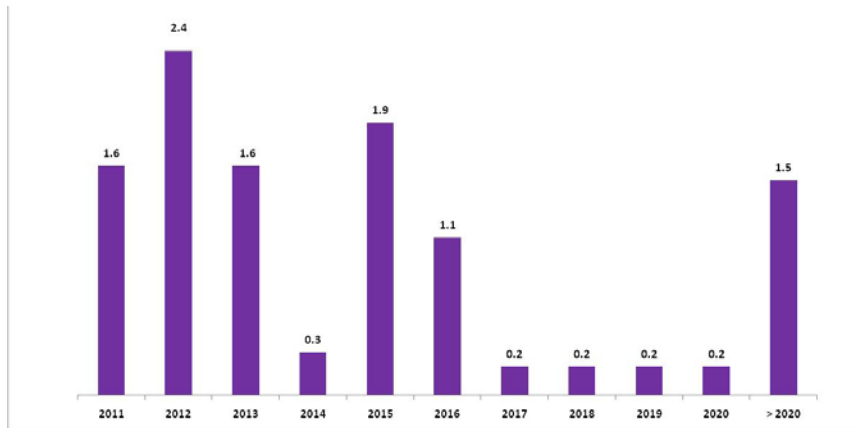
* The maturity of this credit facility was extended to 2016 in February 2011

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Improved financial flexibility

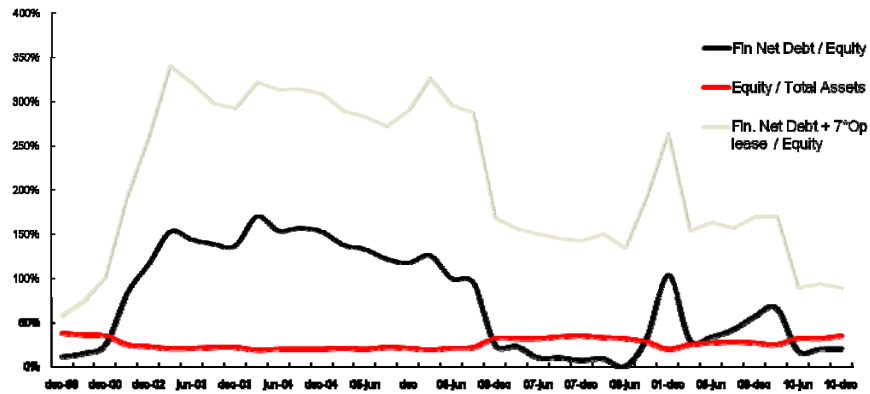


Scheduled amortization profile, SEK bn



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Gearing ratios



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SAS Group

Financial Net January - December



MSEK	Jan-Dec 2010	Jan-Dec 2009	Difference
Interest net and others	-839	-544	-295
Exchange rate differences	-16	+203	-219
Financial net	-855	-341	-514

MSEK	Oct-Dec 2010	Oct-Dec 2009	Difference
Interest net and others	-143	-134	-9
Exchange rate differences	-16	+30	-14
Financial net	-127	-104	-23

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Development and Break Down of Financial Net Debt



MSEK	2010-12-31	2009-12-31	Difference
Cash	5 051	4 199	+852
Other interest bearing assets	3 984	3 957	+27
Interest bearing liabilities	-11 897	-14 660	+2 763
Financial net debt	-2 862	-6 504	+3 642

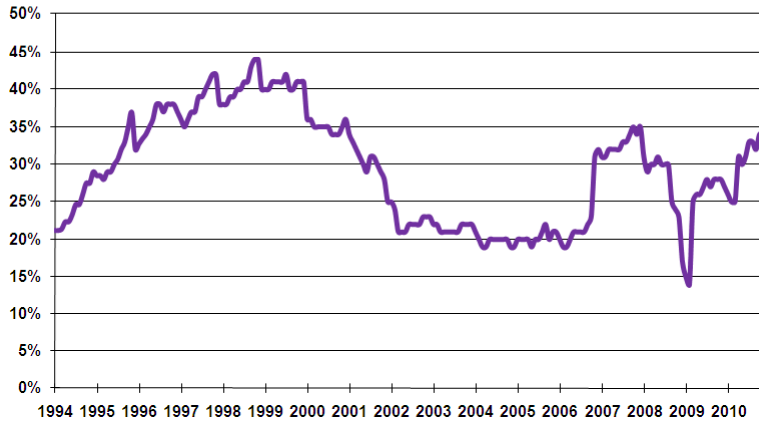
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Development of financial net debt 1993-2010



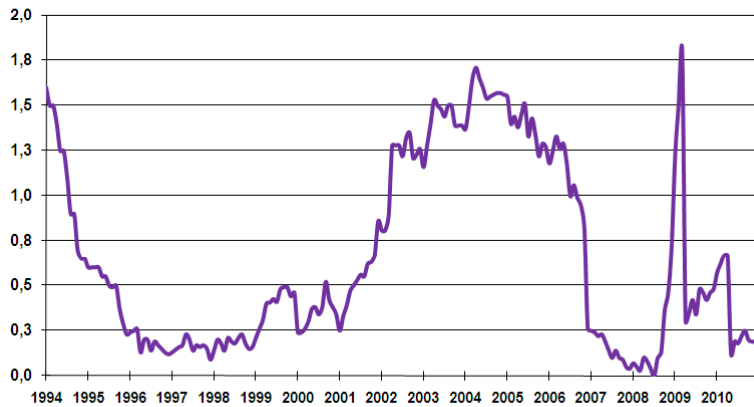
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Equity / Assets Ratio 1993-2010



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Financial Net Debt / Equity Ratio 1993-2010



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Development of the financial net debt during Jan-Dec 2010



SEK billion	
Financial net debt December 2009	-6.5
Investments	-2.5
Sales	0.7
Cash flow from operating activities	-0.2
Currency and others	0.9
Rights issue	4.7
Financial net debt December 2010	-2.9

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Breakdown of currency effects SAS Group, continuing operations 2010 vs. 2009



Total revenues & costs currency effects		Oct-Dec	Jan-Dec
Total revenues & costs	USD	46	539
	DKK	40	135
	NOK	-66	-46
	EUR	6	13
	Asian currencies	7	-21
	All others	-14	-66
	Total	19	554
Forward cover costs	2009	-198	1,355
	2010	-128	-426
	Difference	70	-1,781
Working capital	2009	-34	-214
	2010	-29	-60
	Difference	5	154
Financial items	2009	30	203
	2010	16	-16
	Difference	-14	-219
Total currency effects		80	-1,292

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Significant changes in currency exchange rates affected the result by MSEK -1,292 in Jan-Dec 2010 vs Jan-Dec 2009



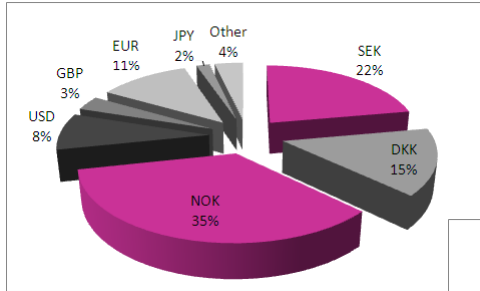
Currency effects MSEK on SAS Group, continuing operations: 2010 vs. 2009		Oct-Dec 2010	Jan-Dec 2010
<ul style="list-style-type: none"> ⓘ Negative impact on revenues due to a significantly stronger SEK in March and onwards ⓘ Positive impact on other operating costs mainly due to the weaker DKK, USD and EUR to SEK ⓘ Weaker USD to SEK affected certain hedging arrangements negatively ⓘ Weaker EUR to SEK affected net financial items, related to certain loan agreements with Spanair in January 2009 	Total revenue	- 560	- 1,651
	Total costs	579	2,205
	Forward cover costs & working capital	75	- 1,627
	Income before depreciation	94	- 1,073
	Financial items	- 14	- 219
	Income before tax	80	- 1,292

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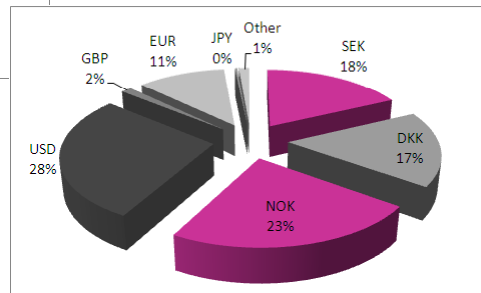
Currency distribution in the SAS Group 2010



Revenues



Expenses



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Amended fuel hedging policy



Jet fuel, spot price development, USD



Current hedges

- 54% of the consumption hedged for 2011
- Only swaps and options
- Hedged at levels below USD 800MT until September 2011 and below USD 850/MT in Q4 2011

Amended policy to offset fuel price volatility

- Hedging 40-70% of expected consumption (12 months rolling)
- Up to 18 months hedging allowed
- Yield management
- Cost initiatives

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Overview of the SAS Group's fuel hedging and costs for 2010



SAS Group's jet fuel hedging portfolio	Q1 2011	Q2 2011	Q3 2011	Q4 2011
Options	10%	4%	8%	12%
Strike price, USD/MT	744	793	752	843
Swaps	44%	49%	47%	43%
Price USD/MT	759	773	759	826

SAS Group's jet costs in 2011 (annual average values)	6.0 SEK/USD	7.0 SEK/USD	8.0 SEK/USD
Market price			
600 USD/MT	SEK 5.3 billion	SEK 6.2 billion	SEK 7.1 billion
800 USD/MT	SEK 6.2 billion	SEK 7.3 billion	SEK 8.3 billion
1 000 USD/MT	SEK 7.0 billion	SEK 8.1 billion	SEK 9.3 billion
1 200 USD/MT	SEK 7.7 billion	SEK 9.0 billion	SEK 10.3 billion

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