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Articles of Association for SAS AB

(Corp. Reg. No. 556606-8499)

Article 1

The name of the Company is SAS AB. The Company is public (publ).

Article 2

The objects of the Company's business shall be directly or indirectly to conduct air traffic operations chiefly through the Scandinavian Airlines System Denmark-Norway-Sweden (SAS) Consortium, other transport and travel-related business as well as any business compatible therewith.

Article 3

Questions of amending or terminating the Consortium Agreement between SAS Danmark A/S, SAS Norge AS and SAS Sverige AB regarding SAS, as amended on May 8, 2001, shall be dealt with by the Company's General Meeting and decisions in this regard require the consent of shareholders with two-thirds of the votes cast as well as of the shares represented at the General Meeting.

Article 4

The Company's Board of Directors has its registered office in Stockholm.

Article 5

A. Share capital and number of shares

The share capital shall be at least SEK 4,000,000,000 and not more than SEK 16,000,000,000, divided into at least 200,000,000 shares and not more than 800,000,000 shares.

B. Share class and voting rights etc.

Shares may be issued in three classes, ordinary shares, subordinated shares and shares of series C. Each ordinary share and subordinated share entitles the holder to one (1) vote. Each share of series C entitles the holder to one-tenth (1/10) of a vote.

Ordinary shares and subordinated shares may be issued up to a number corresponding to 100 percent of the Company's share capital. Shares of series C may be issued up to a number corresponding to 5 percent of the share capital.

Shares of series C do not entitle to dividends. If the Company is dissolved, shares of series C carry an equal right to the Company's assets as ordinary shares, however not to an amount exceeding the share's quotient value.

The Board of Directors may resolve on reduction of the share capital by redemption of all shares of series C. In case of a resolution on redemption, holders of shares of series C shall be obliged to redeem all shares of series C against a redemption amount corresponding to the share's quotient value. Payment of the redemption amount shall be made as soon as possible.

Shares of series C held by the Company itself may, upon request by the Board of Directors, be converted (reclassified) into ordinary shares. Immediately thereafter, the Board of Directors shall report the reclassification to the Swedish Companies Registration Office (Sw. Bolagsverket) for registration. The reclassification is effected when it has been registered in the Swedish Register of Companies and the reclassification been noted in the Swedish Central Securities Depository Register.

C. Preferential rights

Shareholders' preferential rights in relation to the issue of shares, warrants or convertibles are defined in Article 16.

Article 6

The Board of Directors shall have six to eight members elected by the Annual General Meeting. The Board shall have the composition that may be required at any given time for the Company and its subsidiaries to retain their traffic rights for civil aviation, including citizenship and domicile requirements. Furthermore, the Board shall as a whole be representative of and have the knowledge of and experience in the social, business and cultural life prevailing in the Scandinavian countries necessary for their work. With the support of applicable laws regarding Board representation for private employees and special agreements between the Company and the employee

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organizations empowered in accordance with the aforementioned laws, the SAS Group's employee groups in Denmark, Norway and Sweden respectively each have the right to name one member and two deputies, in addition to the aforementioned number of Board members chosen by the General Meeting.

Article 7

The Company shall have two auditors and two deputy auditors or one or two registered accounting firms to examine the management of the Board of Directors and the Managing Director as well as the Company's financial statements and accounting records.

Article 8

The financial year of the Company shall be 1 November-31 October.

Article 9

The Company's Annual General Meeting shall be held in either Stockholm, Solna or Sigtuna.

Article 10

The Board shall be authorised to allow shareholders to vote by mail prior to a General Meeting. Mail voting may be made by electronic means if the Board so decides. The languages at the General Meeting shall be Swedish, Danish or Norwegian and, if the Board so decides, other languages as well.

Article 11

Notice of a General Meeting shall be made by an announcement:

- in Sweden in Swedish in Post- och Inrikes Tidningar and on the Company's web page. That notice has been issued shall be announced in Svenska Dagbladet, and if the Board so decides:

- in Denmark in Danish in Berlingske Tidende or another national Danish daily newspaper and
- in Norway in Norwegian in Aftenposten or another national Norwegian daily newspaper.

To be able to attend the General Meeting, shareholders must be included in the transcript of the entire share register as per five working days prior to the meeting, as well as notify the Company not later than the day given in the notice of the meeting and also state the number of assistants by whom the shareholder will be accompanied. This day may not be a Sunday, any other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve nor fall any earlier than five working days before the meeting.

Article 12

At the General Meeting, business is conducted by open voting, unless the General Meeting decides on a ballot vote.

Article 13

At the Company's Annual General Meeting, the following business is to be conducted:

- a) election of a meeting Chairman
- b) drawing up and verification of the voters' roll
- c) approval of the agenda
- d) election of two persons, in addition to the Chairman, to verify the minutes
- e) deciding the question of whether the meeting has been called in proper order
- f) presentation of the financial statements and the consolidated financial statements
- g) presentation of the auditors' report and the consolidated auditors' report
- h) decision concerning approval of the income statement and balance sheet as well as the consolidated income statement and consolidated balance sheet
- i) decision on the disposal of Company's profits or loss in accordance with the approved balance sheet
- j) decision concerning the discharge of the Directors and Managing Director from liability
- k) determination of the number of Board members
- l) determination of Directors' fees
- m) determination of fees for auditors
- n) election of the Board of Directors
- o) election of a Chairman of the Board
- p) if applicable, election of auditors and deputy auditors
- q) election of a Nomination Committee. The Nomination Committee shall be representative of the Company's shareholder composition and have the purpose of bringing about a suitable

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representative composition of the Board of Directors and in other respects lay a proper foundation for the General Meeting's discussion and decisions on various issues that the Annual General Meeting decides that the Nomination Committee is to prepare for each year.
r) any other business in the power of the General Meeting in accordance with the Articles of Association.

Article 14

The Company shall be a CSD (central securities depository) registered company and the Company's shares shall be registered in a CSD register pursuant to the Central Securities Depository and Financial Instruments Accounts Act (SFS 1998:1479).

Article 15

If there is a direct threat to the Company's or its subsidiaries' air traffic rights owing to the Company or its subsidiaries violating or running the risk of violating provisions concerning ownership and control in bilateral civil aviation agreements or in laws or regulations concerning the conditions for air traffic within the EEA, the Board of Directors shall be able to decide to redeem ordinary shares in accordance with clause A. below. If such a redemption is not possible or, in the judgment of the Board, insufficient, a subscription for new subordinated shares with the rights that appear from clause B. below shall be made by virtue of warrants issued, though only after the approval at a General Meeting by a decision supported by at least half the votes cast at the meeting.

Redemption of ordinary shares in accordance with clause A. below and the subscription for new subordinated shares supported by warrants issued shall take place only to the extent that the aforementioned threat in the judgment of the Board of Directors is eliminated. The Board shall thereafter decide as soon as possible to redeem subordinated shares in accordance with clause B. below to the extent possible that would eliminate the aforementioned threat after such redemption.

A. Redemption

A reduction of the share capital, though not below the minimum, shall take place through the redemption of ordinary shares for the following reasons. The Board of Directors shall resolve to redeem the ordinary shares held by persons not domiciled in Denmark, Norway or Sweden and ordinary shares held by corporations so domiciled that neither directly nor indirectly are controlled by persons or corporations domiciled in Denmark, Norway or Sweden. Ordinary shares shall in the first place be redeemed from persons or corporations that are not domiciled or are not controlled by persons or corporations domiciled in countries within the EEA.

To enable the Company to determine domicile in accordance with this Article 15, shareholders whose ordinary shares are registered in the Danish Securities Centre (VP) shall register their name, address and shareholding in a special register maintained by VP Services A/S, CVR no. 302011183 (VP Investor Services). Such a register shall be maintained in accordance with the provisions valid at any given time of the Danish Companies Act concerning the keeping of share register. In the event of redemption, ordinary shares that according to transcripts of the share register/nominee register kept by Euroclear Sweden AB in Sweden, of the share register kept by the Norwegian Central Securities Depository (VPS) and of the register kept by VP Investor Services in Denmark as specified above (jointly called the Register Transcript), that were acquired last be redeemed first. For cases in which the date of acquisition cannot be determined, this date shall be regarded as the date of the decision to redeem, and the ordinary shares shall be redeemed in proportion to the affected shareholders' holdings of ordinary shares. If the required number of ordinary shares cannot be redeemed from persons or corporations not domiciled or not controlled by persons or corporations domiciled in countries within the EEA, ordinary shares shall be redeemed from other persons or corporations not domiciled in Denmark, Norway or Sweden. In this instance, ordinary shares acquired last according to the Register Transcript shall be redeemed first. For cases in which the date of acquisition cannot be determined, this date shall be regarded as the date of the decision to redeem ordinary shares, and the ordinary shares shall be redeemed in proportion to the affected shareholders' holdings of ordinary shares. It is incumbent upon each shareholder to see to it that his domicile appears on the Register Transcript at all times or otherwise to prove his domicile when so requested by the Company. It is also incumbent upon each shareholder that is a corporation, when so requested by the Company, to prove who, directly or indirectly, controls the said corporation. Shareholders whose domicile cannot be determined from the Register Transcript as well as shareholders who when so requested by the Company do not prove direct or indirect control are in the event of a redemption considered to be domiciled outside the EEA.

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Shareholders, whose ordinary shares may be redeemed in accordance with this provision, shall be notified by the Company in writing stating the number of ordinary shares that may be redeemed from said shareholders (the Number of Redeemable Ordinary Shares). Shareholders are able within ten business days after notification to prove their domicile to the Company, and if applicable, the direct or indirect control of a corporation, that may result in said shareholders not being covered by the redemption. If a shareholder has reduced his holdings by the Number of Redeemable Ordinary Shares according to the Register Transcript that can be obtained immediately after the fortieth business day after the notification has been sent out, no ordinary shares of this shareholder will be redeemed. However, if this shareholder has not reduced his holdings by the Number of Redeemable Ordinary Shares according to such a Register Transcript, this number of ordinary shares can be redeemed immediately, or the number of ordinary shares required for the holding to be reduced by the Number of Redeemable Ordinary Shares, if lower.

Shares will be redeemed without any refund to the shareholder. The reduction amount shall be transferred to statutory reserves.

B. Subordinated shares

In addition to ordinary shares and shares of series C, the Company shall be able to issue subordinated shares. Subordinated shares shall be redeemable. If not all outstanding subordinated shares are redeemed, subordinated shares shall be redeemed from their holders in proportion to the number of subordinated shares they already own and to the extent this cannot take place by drawing lots. In the event of redemption, redeemed subordinated shares shall be refunded with an amount corresponding to the subordinated share's quota value plus interest calculated from the first day the subordinated shares were registered up until the date the amount of redemption was paid, with an interest rate factor corresponding to two percentage points over the 90-day STIBOR rate.

A subordinated share does not entitle a holder to dividends. If the Company is dissolved, a subordinated share entitles the holder to a share of the Company's assets equal to that of an ordinary share, however not exceeding an amount corresponding to the subordinated share's quota value plus interest calculated from the first day the subordinated share was registered up until the day of the distribution, with an interest rate factor corresponding to two percentage points over the 90-day STIBOR rate.

Article 16

If the Company issues new ordinary shares, shares of series C and subordinated shares in a cash issue or an issue to set off claims, the holder of ordinary shares, shares of series C and subordinated shares shall have the preferential right to subscribe for new shares in the same class in proportion to the number of shares the holder already owns (primary preferential right). Shares not subscribed for through a primary preferential right shall be offered to all shareholders for subscription (subsidiary preferential right). If the shares so offered are insufficient to cover the subscription taking place through a subsidiary preferential right, the shares shall be distributed among the shareholders in proportion to the number of shares they already own, irrespective of being ordinary shares, shares of series C or subordinated shares, and if this cannot be done, by drawing lots.

If the Company decides, through a cash issue or an issue setting off claims, to issue only ordinary shares, only shares of series C or only subordinated shares, only the owners of the shares in that class have the preferential right to subscribe to shares in proportion to the number of shares the owners already own of the same class issued (primary preferential right). Shares not subscribed for through a primary preferential right shall be offered to all shareholders for subscription (subsidiary preferential right). If the shares so offered are insufficient to cover the subscription taking place through a subsidiary preferential right, the shares shall be distributed among the subscribers in proportion to the number of shares they already own, irrespective of being ordinary shares, shares of series C or subordinated shares, and if this cannot be done, by drawing lots.

If the Company decides to issue warrants or convertibles pertaining to either ordinary shares, shares of series C or subordinated shares or shares of all classes through a cash issue or an issue to set off claims, shareholders have preferential rights to subscribe for warrants as if the issue applied to the shares of either or all classes that could be subscribed for as a result of options or preferential rights to subscribe for convertibles, as if the issue had applied to the shares of either or all classes for which the convertibles carry the right of receipt in exchange.

What is stated above shall not imply any limitation in respect of the Company's ability to decide on cash issues or issues setting off claims that deviate from the shareholders' preferential rights.

An increase of the share capital through a bonus issue with issuance of new shares may only be made by issuing ordinary shares. Accordingly, only holders of ordinary shares have preferential rights to subscribe for such

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issued ordinary shares in proportion to the number of ordinary shares already held. What is stated above shall not imply any limitation in respect of the Company's ability to issue shares of a new class through a bonus issue following the appropriate changes to the Articles of Association.

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