



Update on COVID-19

As an effect of the COVID-19 outbreak and global measures taken to mitigate the spread of the virus, the demand for international air travel has been affected.

In response to the lower demand, SAS will in the next couple of months seek to reduce part of its short haul network capacity. Furthermore, and in addition to the already suspended flights to/from Mainland China, SAS will suspend flights to Hong Kong from 5 March.

In order to mitigate the revenue impact from the reduced demand, SAS is pursuing a number of cost reduction initiatives. In the short term, reduced capacity will lower flight related costs, such as jet fuel, airport and other fees. SAS is also implementing other measures such as cuts in administration and personnel expenses, implementation of hiring freeze, and postponement of non-critical projects, marketing and promotional campaigns. Measures related to personnel expenses may include temporary layoffs, voluntary leave, early retirement or other initiatives.

Given the uncertainty surrounding the outbreak and its impact on overall demand for air travel, SAS withdraws its fiscal year 2020 guidance provided to the market on 5 December 2019. At this stage, it is too early to assess the full impact on SAS operations and financial outcome and therefore not possible to give a more accurate guidance.

For further information, please contact:

SAS press office. +46 8 797 2944

Michel Fischier. VP Investor Relations. +46 70 997 0673

This information is information that SAS AB is obliged to disclose pursuant to the EU Market Abuse Regulation. The information was submitted by Michel Fischier for publication on 3 March 2020 at 08:00 a.m. CET.