Information about the reverse share split in SAS 2010

SAS AB carries out a reverse share split 1:30 with record date 9 June 2010. First trading day in the new shares is 7 June 2010.

Background

As a result of the rights issues, the number of shares in SAS AB ("SAS" or the "Company") has increased. To obtain a more appropriate number of shares, the Annual General Meeting on 7 April 2010 resolved on a reverse share split 1:30 and authorised the Board of Directors to determine the record date. The resolution for the reverse share split has been registered by the Swedish Companies Registration Office and the record date for the reverse share split has been set to 9 June 2010.

Note: The reverse split of shares with record date 9 June 2010 implies among other things that:

- **shareholders who do not hold a number of shares corresponding to a whole number of new shares (after completion of the reverse share split), will have their excess shares sold in the market; and**
- **shareholders holding less than 30 shares will have all their shares sold**

Trade in the share

The last day of trade in the Company's shares on NASDAQ OMX Stockholm, NASDAQ OMX Copenhagen and Oslo Børs before the reverse share split inclusive of the possibility to obtain a number of shares equally divisible by 30 is 4 June 2010 (old ISIN code). As trading in shares settles with three days settlement scheme, trading in the new shares can, in some cases, start three days before the shares are booked onto the shareholders securities accounts. First day of trade in the Company's shares after the reverse split is 7 June 2010 (new ISIN code).

Description of the reverse share split

On 7 April 2010 the Annual General Meeting resolved on a reverse share split of 1:30. This implies that 30 shares in SAS, each with a quota value of SEK 0.67 will be consolidated into one share with a quota value of SEK 20.10. In connection with the reverse split, the number of shares will be reduced from 9,870,000,000 to 329,000,000.

Illustration of the reverse share split 1:30 and sale of excess shares *

Shareholding as per record date

65 shares

Quota value	SEK
per share:	0.67
in total:	43.55

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Shareholding and sales proceeds following the reverse share split

2 shares

Quota value	SEK
per share:	20.10
in total:	40.20

Proceeds from sale of 5 excess shares

**The example is based on a shareholding of 65 shares prior to the reverse share split.*

Time table for the reverse share split

June	1	2	3	4	Sat	Sun	7	8	9	10	11	Sat	Sun	14	15

4 June
Last day of trade in the SAS' shares before the reverse share split

7 June
First day of trade in the SAS' shares after the reverse share split

9 June
Record date for the reverse share split

10 June
The new number of shares are booked onto the shareholders' account

Around 10 June
Payment of proceeds from sale of excess shares in Denmark

Around 15 June
Payment of proceeds from sale of excess shares in Sweden and Norway

The record date with Euroclear, VP and VPS is 9 June 2010. On 10 June 2010, the new number of shares will be booked onto each shareholder's securities account. A notice confirming the new number of shares on the securities account will be sent out shortly thereafter.

For those shareholders who on the record date for the reverse share split do not hold a number of shares corresponding to a whole number of new shares (after completion of the reverse split), ownership of the excess shares will pass from such shareholders to SAS on the record date for the reverse share split. The excess shares will thereafter be sold by Nordea Bank and the proceeds from the sale will be distributed among the shareholders who are entitled thereto. Thus, shareholders holding less than 30 shares at the time of the reverse split will have all their shares sold. The proceeds from the sale will be paid out around 10 June 2010 in Denmark and around 15 June 2010 in Sweden and Norway. The currency conversion for payment in DKK of the proceeds from the sale will be determined based on ECB's fixing exchange rate on 8 June 2010, according to the following formula: EUR/DKK ÷ (EUR/SEK-0.05). For payment in NOK, the currency conversion will be based on ECB's fixing exchange rate on 14 June 2010, according to the following formula: EUR/NOK ÷ (EUR/SEK-0.05).

In connection with the reverse share split, the SAS share will have a new ISIN code. The new ISIN code is SE0003366871.

Effects of the reverse share split

The reverse share split will result in a lower number of shares in the Company. However, the quota value of each share will be increased. The aggregate quota value of a shareholder's shares following the reverse share split, i.e. the shareholder's portion of the Company's share capital, will therefore remain unchanged, except for shareholders who hold excess shares. Apart from having a different quota value, each new consolidated share will carry the same rights as the existing shares.

Shares registered with nominees

For shareholders in SAS whose holdings are registered with a nominee, for example a bank or a securities company, the shareholding after the reverse share split as well as possible payment of proceeds from the sale of excess shares will be dealt with pursuant to each nominee's procedures. We recommend shareholders to contact their nominee.

Certain tax considerations

Below follows a brief summary of the tax treatment of the reverse share split in Sweden, Denmark and Norway.

Sweden

The reverse split of shares does not give rise to any taxation since it merely implies that the aggregate quota value of the shares is allocated on fewer shares. The aggregate tax basis for all shares before the reverse share split will therefore be the same after the reverse share split. However, the average tax basis per share will be different.

A sale of excess shares is taxable and also affects the aggregated average tax basis. Upon such a disposal of excess shares by means of transfer of the title to the shares to the Company and the subsequent sale at the Company's expense, a capital gains taxation is triggered. A capital gain or capital loss respectively, is calculated as the difference between the sales proceeds and the average tax basis of the shares sold. The standard method is applicable.

Denmark

The reverse split of shares does not give rise to any taxation since it merely implies that the aggregate quota value of the shares is allocated on fewer shares. The aggregate tax basis for all shares before the reverse share split will therefore be the same after the reverse share split. However, the average tax basis per share will be different.

A sale of excess shares is taxable and also affects the aggregated average tax basis. Upon such a disposal of excess shares by means of transfer of the title to the shares to the Company and the subsequent sale at the Company's expense, a capital gains taxation is triggered. A capital gain or capital loss respectively, is calculated as the difference between the sales proceeds and the average tax basis of the shares sold. The ordinary rules regarding taxation of capital gains and losses apply.

Norway

The reverse split of shares does not give rise to any taxation since it merely implies that the aggregate quota value of the shares is allocated on fewer shares. The aggregate tax base value for all shares before the reverse share split will therefore be the same after the reverse split.

The FIFO-principle ("first in first out") will be applied when allocating the tax base value of shares acquired at different points in time. A sale of surplus shares is taxable. Upon such a disposal of surplus shares by means of transfer of the title to the shares from a Norwegian shareholder to the Company, capital gains taxation is triggered. The capital gain or loss is calculated in accordance with ordinary rules.

Excess shares	The number of shares in excess of the number of shares equally divisible by 30 in the reverse share split
Quota value	A company's share capital divided by the total number of shares in the company
Record date for the reverse split	The date (9 June 2010) on which shareholders must be registered in order to be affected by the reverse share split
Reverse split	A reduction in the number of outstanding shares in the company which increases the quota value of the share. The total share capital will remain unchanged

For further information, please contact
SAS Group Investor Relations +46 8 797 12 19
Sture Stølen, Head of Investor Relations +46 8 797 14 51