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A STAR ALLIANCE MEMBER

SAS traffic figures March 2016

- Scheduled traffic (RPK) increased 4% and the capacity (ASK) was up 6.8%.
- The load factor decreased 2 p.u. to 71.4%.
- SAS carried 2.3 million scheduled passengers in March, down 6.1%.
- The preliminary currency adjusted yield and PASK were down 14% and 16% in March 2016. The nominal yield and PASK were down 17% and 19% in March 2016.

Market development and commentary

Demand has been positive in Scandinavia during 2015 and in the beginning of 2016. Overall market capacity has increased about 7% during the winter program, with the strongest growth on primarily international routes. The capacity growth is expected to slow down slightly during the summer program. Demand for European leisure routes, long haul traffic and, when adjusted for the Easter holiday and industrial actions during March last year, domestic routes continue to grow.

In response to the growing demand, SAS is increasing its intercontinental capacity by about 25% during fiscal year 2015/2016 through new routes and frequencies already announced. Also, until April 2016 larger aircraft will replace phased out Boeing 717 primarily in Sweden. Overall, this will result in a longer average stage length with subsequent effect on the yield/PASK and contribute to an expected scheduled capacity growth of 10% during 2015/2016. Excluding the intercontinental expansion, capacity growth is about 1%.

SAS scheduled traffic development in March

SAS increased its scheduled capacity in March by 6.8%. The traffic increased by 4%. It should be noted that last year's traffic figures were significantly affected by industrial actions amongst Scandinavian and European carriers. The overall load factor declined by 2 p.u. to 71.4%.

SAS intercontinental traffic increased 15.8%. The response to SAS refreshed long haul cabin has been strong and traffic in Business Class increased during the month by 47%. Intercontinental capacity was up 22.7%. The growth was driven by new routes to Hong Kong, Los Angeles and Boston as well as more frequencies on existing routes. The new route Stockholm-Los Angeles had a load factor above 85%. Within Europe/ Intras Scandinavia, SAS increased capacity by 3.5% and traffic was up 3.4%. Due to the Easter holiday, capacity on the domestic routes was reduced by 7.7%, which contributed to a traffic decline of 12.7%.

Product and news update

- SAS second Café Lounge in Sweden was opened in March at Luleå airport.
- SAS continues to develop and improve its on-board offering and launched Fresh Bites for customers traveling in SAS Plus on shorter routes.

| SAS scheduled traffic | Mar 16 | Change | Nov-Mar 16 | Change |
|---------------------------|--------|----------|------------|----------|
| ASK (Mill.) | 3 675 | 6,8% | 16 488 | 12,1% |
| RPK (Mill.) | 2 624 | 4,0% | 11 096 | 8,5% |
| Passenger load factor | 71,4% | -2,0 p u | 67,3% | -2,2 p u |
| No. of passengers (Mill.) | 2,251 | -6,1% | 10,065 | 2,0% |

| Geographical development. schedule | Mar 16 vs Mar 15 | | Nov 15 - Mar 16 vs. Nov 14 - Mar 15 | |
|------------------------------------|------------------|-------|-------------------------------------|-------|
| | RPK | ASK | RPK | ASK |
| Intercontinental | 15,8% | 22,7% | 16,8% | 23,7% |
| Europe/Intras Scandinavia | 3,4% | 3,5% | 6,3% | 9,5% |
| Domestic | -12,7% | -7,7% | 0,2% | 0,6% |

| SAS charter traffic | Mar 16 | Change | Nov-Mar 16 | Change |
|---------------------------|--------|----------|------------|----------|
| ASK (Mill.) | 172 | -2,7% | 795 | -5,0% |
| RPK (Mill.) | 158 | -3,1% | 737 | -3,9% |
| Passenger load factor | 91,9% | -0,4 p u | 92,7% | +1,0 p u |
| No. of passengers (Mill.) | 0,056 | 4,9% | 0,238 | -3,1% |

| SAS total traffic (schedule and charter) | Mar 16 | Change | Nov-Mar 16 | Change |
|--|--------|----------|------------|----------|
| ASK (Mill.) | 3 847 | 6,4% | 17 283 | 11,1% |
| RPK (Mill.) | 2 782 | 3,5% | 11 833 | 7,7% |
| Passenger load factor | 72,3% | -2,0 p u | 68,5% | -2,2 p u |
| No. of passengers (Mill.) | 2,306 | -5,9% | 10,303 | 1,8% |

| Preliminary yield and PASK | Mar 2016 | Nominal change | FX adjusted change |
|----------------------------|----------|----------------|--------------------|
| Yield, SEK | 0.92 | -17% | -14% |
| PASK, SEK | 0.66 | -19% | -16% |

| | March 2016 |
|------------------------------|------------|
| Punctuality (arrival 15 min) | 84.2% |
| Regularity | 97.5% |

SAS' definitions:

RPK – Revenue passenger kilometers
ASK – Available passenger kilometers
Load factor – RPK/ASK
Yield – Passenger revenues/RPK (scheduled)
PASK – Passenger revenues/ASK (scheduled)