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## Press release

2001-07-18

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# SAS and Maersk Air fined for infringement of Competition Rules

The European Commission today decided to fine SAS and Maersk Air, 39,375 MEUR and 13,125 MEUR respectively, for having infringed European Competition Rules.

SAS has admitted to the Commission that infringements have been made, and has co-operated actively with the competition authorities in order to find all relevant facts related to the case.

"I deeply regret that SAS has infringed the Competition Rules of the European Union in this case," says Mr. Jørgen Lindegaard, President and CEO of the SAS Group, in a statement today.

"However, for SAS at this time, the most important thing is now to look to the future, put this very unfortunate case behind us, and ensure that this will never ever happen again." SAS finds however that the fine imposed on it, is disproportionate, and not at all related to the effects the infringements have had on the market, nor to previous case law of the European Commission. The decision seems to be politically influenced, and should be looked upon as a signal to the entire airline industry and its market practices.

SAS is seriously considering appealing the decision related to the level of fine to the Court of First Instance in Luxembourg, while still accepting the substance of the decision.

According to the decision, SAS and Maersk Air have been fined, for having agreed to share certain markets between them, as part of a more general cooperation agreement entered into in 1998. SAS does not contest that discussions on such issues did take place in 1998, before the actual cooperation agreement was concluded. However, the actions taken as a consequence of these talks would have been taken individually under any circumstances for commercial reasons, since the routes in question were unprofitable.

SAS also concludes that consumers have not been negatively affected as a consequence of the infringements. Fares have not been raised on the routes that were subject to the discussions, and the total number of destinations served from Copenhagen and Billund has actually been increased as a consequence of the overall cooperation between the two companies.

It is however clear, that these types of infringements of the competition rules are totally unacceptable. SAS has therefore initiated a comprehensive internal compliance programme, aimed at key staff involved in commercial issues, which should ensure that such an incident is not repeated. Certain decision-making processes and organizational structures have and will also be carefully reviewed as a consequence of this case.

If further comments are desired, Jørgen Lindegaard; CEO and President of SAS, is available between 1.00 - 4.00 p.m. July 18

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