

The SAS Group Traffic figures May 2004

Traffic continues to improve

- Total passenger traffic (RPK) increased by 15,8% in May 2004 vs 2003.
- The SAS Group transported a total of 2,9 million passengers in May 2004 vs 2,7 million in 2003, an increase of 9,1%.
- Overall group passenger load factor improved by 3,0 p.u to 64,9% for May 2004 vs. 2003.
- Scandinavian Airlines currency adjusted yield for April was down with 19,1% partly due to a technical effect as the proportion of the intercontinental traffic has increased vs. 2003.

Market trends and yield development

May group total traffic volumes developed positively with a traffic growth of 15,8% and improved passenger load factor. It must be noted that last years numbers were weak due to SARS and the Iraq situation, but even adjusted for this the traffic volumes for the group developed well. On the contrary, yields are still weak and yields for Scandinavian Airlines for April was down 19,1% vs 2003. The yield is partly affected by a technical effect due to a larger proportion of intercontinental traffic that has an effect of appr. 6-7 p.u. The reduced underlying yield is explained by continued negative mix, price reductions and high availability of low fare tickets in the marketplace.

Yields for May will be reported next month, but indications show a continued pressure similar to April also with similar technical effects for the reason mentioned above. In general, growth has improved significantly on European and intercontinental routes. In May Intrascandinavian and domestic traffic improved in a market characterized by improving demand but large overcapacity.

Spanair's traffic increased in May by 22,4% with improved load factor. Braathens' traffic increased 12,9% in May.

Yield indications for Scandinavian Airlines in May show a continued pressure similar to April. For the full year 2004 an underlying yield reduction of 9-10 % vs 2003 is expected. As announced in May an extra fuel surcharge was introduced due to the sustained high jet fuel prices. The surcharge will impact yields to some degree in June and have full effect as from July with approx 4-5%. The restructuring plan "Turnaround 2005", is proceeding according to plan in order to secure a sustained profitability level in a lower yield environment. Improvements in general demand and good traffic growth can be noted but due to the situation with uncertainties about yields and continued overcapacity, the outlook remains cautious.

Scandinavian Airlines

- Scandinavian Airlines traffic (RPK) increased by 13,8% in May 2004 compared with 2003.
- Scandinavian Airlines passenger load factor increased by 2,5 p.u. to 66,6%

Demand on the long haul routes improved during May due to the weak comparable numbers. Intercontinental load factor improved by 9,6 p.u to a level above 80%. Traffic to/ from North America showed high load factors. Asian routes improved strongly with strong increase in Business Class.

Traffic on the European routes was up 5,3%. Snowflake showed a load factor of close to 40%. Intrascandinavian traffic improved in May and traffic was up 5,6%. Volumes on Norwegian and Swedish domestic market improved during May compared with previous months.

SAS Group	May 04	Change	Jan-May 04	Change
ASK (Mill.)	4 525	10,5%	20 764	7,5%
RPK (Mill.)	2 938	15,8%	12 818	11,1%
Passenger load factor	64,9%	+3,0 p u	61,7%	+2,0 p u
Passengers (Mill.)	2,934	9,1%	12,962	5,7%

p u = percentage units



Summary of the airlines	January-May 2004			
	Traffic (RPK)	Capacity (ASK)	Load factor	Change of load factor
SAS Group	11,1%	7,5%	61,7%	+2,0 p u
Scandinavian Airlines	8,8%	4,2%	64,1%	+2,7 p u
Spanair	14,7%	15,1%	56,5%	-0,2 p u
Braathens	13,5%	7,3%	60,2%	+3,3 p u
Widerøe	12,1%	10,5%	51,4%	+0,8 p u
Blue1	78,0%	73,1%	45,6%	+1,3 p u

Route area (change):	May 04 vs. May 03		Jan-May 04 vs. Jan-May 03	
	Traffic (RPK)	Capacity (ASK)	Traffic (RPK)	Capacity (ASK)
Intercontinental	27,6%	12,5%	13,3%	-1,3%
Europe	14,9%	16,5%	15,7%	17,6%
Intra Scandinavian	4,6%	-2,1%	4,4%	3,7%
Denmark	10,8%	-10,1%	4,4%	-11,0%
Norway	4,7%	-2,0%	1,0%	-1,6%
Sweden	1,4%	-2,2%	-3,3%	-0,9%



Scandinavian Airlines

Scandinavian Airlines	May 04	Change	Jan-May 04	Change
ASK (Mill.)	3 129	9,5 %	14 354	4,2 %
RPK (Mill.)	2 084	13,8 %	9 204	8,8 %
Passenger load factor	66,6%	+2,5 p u	64,1%	+2,7 p u
Passengers (Mill.)	1,790	4,8 %	7,969	2,2 %

p u = percentage units

Route area (change):	May 04 vs. May 03		Jan-May 04 vs. Jan-May 03	
	Traffic (RPK)	Capacity (ASK)	Traffic (RPK)	Capacity (ASK)
Intercontinental	27,6%	12,5%	13,3%	-1,3%
Europe	5,3%	13,8%	9,4%	13,3%
Intra-scandinavian	5,6%	-0,9%	4,8%	4,9%
Denmark	10,8%	-10,1%	4,4%	-11,0%
Norway	3,8%	-1,3%	-3,6%	-6,8%
Sweden	1,4%	-2,2%	-3,3%	-0,9%

Strong increase of Internet Sales (April)

The proportion of Internet sales on www.scandinavian.net was 17,9% in April 2004 compared with 9,7% in April 2003.

Punctuality (May)

Within 15 minutes 89,6% of flights departed on time and within 2 minutes 66,6% of flights departed on time. The punctuality in April was among the best of European airlines.

Spanair traffic development

Spanair adjusted to the improved market conditions compared to May last year and made a substantial increase in the total capacity. The overall capacity was low last year because of the weak demand influenced by the crisis in Iraq. The ASK increased by 14,8% compared to last year, the RPK with 22,4 % and the load factor increased by 3,7 percentage points to 60,0%.

The increase in the Domestic network is concentrated to the longer routes between the Iberian Peninsula and the Canary Islands. Also, a new route between Barcelona and Seville, with three daily flights, was inaugurated on the 22nd of February. Compared to May last year, the Domestic capacity increased by 26,1% and the traffic by 35,3%, resulting in a 4.3 percentage points higher load factor. The yield is expected to be below last years level due to strong promotional campaigns in the market. In Europe, both capacity and traffic decreased by 9,5% vs. last year resulting in unchanged load factor.

Braathens traffic development:

Braathens scheduled passenger traffic (RPK) showed an overall increase of 12,9 % in May 2004 vs. May 2003 and the number of passengers increased by 6,3 %. Capacity (ASK) increased by 1,7 % and the passenger load factor increased by 6,7 p.u. to 67,0 %.

The Norwegian domestic routes showed a 5,1 % increase in traffic while capacity decreased by 4,0 % in May 2004 vs. May 2003. Domestic passenger load factor increased by 5,4 p.u. to 62,8 %. Braathens international routes showed a 29,0 % increase in RPK and the number of passengers increased by 25,2 % in May 2004 vs. May 2003. Capacity (ASK) increased by 15,4 % and the passenger load factor increased by 8,0 % to 75,7 % in May 2004 vs. May 2003.

Widerøe's traffic development

Total number of passengers increased by 6.0% in May vs. last year. Traffic was up by 8.4%. With a capacity increase of 7.7%, overall load factor increased by 0.3 p.u. to 52.8%. The domestic load factor dropped as capacity increased more than traffic, however, this was more than offset by increased load factors on international routes. For the second consecutive month the strongest contribution came on the Intrascandinavian sector, with a strong development on the routes to and from Copenhagen. The UK routes also showed higher load factors despite a large capacity increase compared with May 2003.

Blue 1's traffic development

Blue1's total passenger traffic (RPK) increased with 84% compared to last year and the capacity (ASK) increased with 68%. With a passenger increase of 91%, Blue1 continued to gain market shares. The passenger load factor on the domestic route Helsinki - Oulu was 76% in May and Blue1 increased from 4 frequencies to 5 frequency on weekdays. Two additional domestic destinations were introduced in May, Helsinki - Kuopio with 2 round trip per weekday and Helsinki - Mariehamn with 1 daily round trip. Blue1 seized operations on Helsinki - Geneva and introduced Amsterdam as a new destination.



Spanair (scheduled)	May 04	Change	Jan-May 04	Change
ASK (Mill)	717	14,8 %	3 185	15,1 %
RPK (Mill)	430	22,4 %	1 799	14,7 %
Passenger load factor	60,0%	+3,7 p u	56,5%	-0,2 p u
Total Rev. passengers (Mili)	0,495	19,6 %	2,090	10,8 %
Route area (change):	May 04 vs. May 03		Jan-May 04 vs. Jan-May 03.	
	Traffic (RPK)	Capacity (ASK)	Traffic (RPK)	Capacity (ASK)
Spanish domestic	35,3%	26,1%	21,3%	21,9%
European Routes	-9,5%	-9,5%	-5,0%	-1,9%



Braathens (scheduled)	May 04	Change	Jan-May 04	Change
ASK (Mill.)	462	1,7 %	2 184	7,3 %
RPK (Mill.)	310	12,9 %	1 315	13,5 %
Passenger load factor	67,0%	+6,7 p u	60,2%	+3,3 p u
Total no. of passengers, (milj)	0,391	6,3 %	1,755	4,6 %
Route area (change):	May 04 vs. May 03		Jan-May 04 vs. Jan-May 03	
	Traffic (RPK)	Capacity (ASK)	Traffic (RPK)	Capacity (ASK)
Norwegian dom.	5,1%	-4,0%	1,9%	-0,8%
European Routes	29,0%	15,4%	46,4%	35,2%



Widerøe's	May 04	Change	Jan-May 04	Change
ASK (Mill.)	89	7,7 %	434	10,5 %
RPK (Mill.)	47	8,4 %	223	12,1 %
Passenger load factor	52,8%	+0,3 p u	51,4%	+0,8 p u
Total no. of passengers (Mill)	0,151	6,0 %	0,729	9,9 %



Blue1	May 04	Change	Jan-May 04	Change
ASK (Mill.)	128	67,5%	607	73,1%
RPK (Mill.)	67	84,2%	277	78,0%
Passenger load factor	52,3%	+4,7 p u	45,6%	+1,3 p u
Total no. of passengers (Mill)	0,107	90,8 %	0,418	74,4%

Scandinavian Airlines APPENDIX – Traffic, capacity, passenger load factors and number of passengers per route area.

INTERCONTINENTAL ROUTES	May 04	May 03	CHANGE	Jan-May 04	Jan-May 03	CHANGE
ASK (Mill.)	1 140	1 014	+12,5%	5 205	5 271	-1,3%
RPK (Mill.)	926	725	+27,6%	4 155	3 666	+13,3%
Passenger load factor	81,2%	71,5%	+9,6 p u	79,8%	69,6%	+10,3 p u
Total no. of passengers (000)	131,9	102,6	+28,5%	591,0	522,6	+13,1%
EUROPEAN ROUTES	May 04	May 03	CHANGE	Jan-May 04	Jan-May 03	CHANGE
ASK (Mill.)	1 304	1 146	+13,8%	5 794	5 115	+13,3%
RPK (Mill.)	737	700	+5,3%	3 132	2 863	+9,4%
Passenger load factor	56,5%	61,1%	-4,6 p u	54,1%	56,0%	-1,9 p u
Total no. of passengers (000)	689,3	672,2	+2,5%	2 963,4	2 828,2	+4,8%
INTRA-SCANDINAVIAN ROUTES	May 04	May 03	CHANGE	Jan-May 04	Jan-May 03	CHANGE
ASK (Mill.)	236	238	-0,9%	1 121	1 069	+4,9%
RPK (Mill.)	140	133	+5,6%	606	578	+4,8%
Passenger load factor	59,4%	55,7%	+3,7 p u	54,0%	54,1%	-0,0 p u
Total no. of passengers (000)	290,3	274,2	+5,9%	1 260,2	1 204,9	+4,6%
DANISH DOMESTIC ROUTES	May 04	May 03	CHANGE	Jan-May 04	Jan-May 03	CHANGE
ASK (Mill.)	23	26	-10,1%	111	124	-11,0%
RPK (Mill.)	15	13	+10,8%	66	63	+4,4%
Passenger load factor	64,5%	52,4%	+12,2 p u	59,5%	50,7%	+8,8 p u
Total no. of passengers (000)	71,9	64,7	+11,1%	320,2	304,0	+5,3%
NORWEGIAN DOMESTIC ROUTES	May 04	May 03	CHANGE	Jan-May 04	Jan-May 03	CHANGE
ASK (Mill.)	152	154	-1,3%	761	817	-6,8%
RPK (Mill.)	95	91	+3,8%	426	442	-3,6%
Passenger load factor	62,1%	59,0%	+3,1 p u	56,0%	54,1%	+1,9 p u
Total no. of passengers (000)	254,2	245,9	+3,4%	1 152,3	1 195,0	-3,6%
SWEDISH DOMESTIC ROUTES	May 04	May 03	CHANGE	Jan-May 04	Jan-May 03	CHANGE
ASK (Mill.)	273	279	-2,2%	1 362	1 375	-0,9%
RPK (Mill.)	171	169	+1,4%	819	847	-3,3%
Passenger load factor	62,8%	60,6%	+2,2 p u	60,1%	61,6%	-1,5 p u
Total no. of passengers (000)	352,6	349,3	+0,9%	1 682,3	1 744,3	-3,6%