

The SAS Group Traffic figures September 2004

Weak passenger load factors

- Total passenger traffic (RPK) increased by 3,4% in September 2004 vs 2003.
- The SAS Group transported 3,0 million passengers in September 2004 vs 2,9 million in 2003, an increase of 2,9%.
- Overall group passenger load factor decreased by 1,9 p.u to 65,3% for September 2004 vs. 2003.

Group market trends and yield development

Group total traffic volumes continued to increase with a total group traffic growth of 3,4%. Capacity increased by 6,4% resulting in a reduced load factor by 1,9 p.u. Demand has been weaker than anticipated for August and September as also business travel has not quite recovered in the Nordic region.

Yields for Scandinavian Airlines in August were down by approx 7% vs. 2003. Yields for September will be reported next month, but indications show a yield reductions slightly more or same as reported for August.

The reduction in traffic on Intercontinental routes can be explained by reduced capacity to/from New York. European routes continued to develop very weak for SAS Group with 4,7 p.e reduction in passenger load factor as capacity increased significantly more by 17%. Intrascandinavian routes developed strongly and traffic grew with 5,2% and load factor improved with 5,2 p.u. for Scandinavian Airlines in a market characterized by improving demand but large overcapacity. The SAS Group Norwegian domestic traffic increased by 5,9% and the load factor increased by a strong 5,3 p.u. Braathens' total traffic continued to grow impressively with an increase by 15,8% in September and with improved cabin factor by 6,8 p.u.. Spanair's traffic increased in August by 5,4% but with a 4,0 p.u. reduced load factor.

During 2nd Quarter 2004 Scandinavian Airlines experienced unprecedented yield reductions. Actions such as fuel charge, selective price adjustments and active yield management are taking effect. Yield indication for Scandinavian Airlines for September shows continued yield reductions in line with or slightly more than July/ August.

The outlook for the yield is more stable, but due to the situation with continued overcapacity and the competitive situation with continued potential price pressure, the overall outlook remains cautious. The weak traffic development on European routes and Swedish domestic experienced in August / September also adds uncertainties and this indicate weak traffic and weak load factors for the coming months.

Scandinavian Airlines

- Scandinavian Airlines traffic (RPK) decreased by 0,4% in September 2004 compared with 2003.
- Scandinavian Airlines passenger load factor decreased by 2,8 p.u. to 66,3%

Demand on the long haul routes continued to be strong especially on the North Atlantic routes.

Traffic on the European routes was up 5,2%, but did not meet expectations and cabin factor was down with 6,1 p.u.. Snowflake showed a load factor of above 65%. Swedish domestic showed reduced passenger load factors.

SAS Group	Sep 04	Change	Jan-Sep 04	Change
ASK (Mill.)	4 599	6,4%	38 864	8,0%
RPK (Mill.)	3 004	3,4%	25 189	9,1%
Passenger load factor	65,3%	-1,9 p u	64,8%	+0,7 p u
Passengers (Mill.)	3,012	2,9%	24,708	5,2%

p u = percentage units



Summary of the airlines September 2004 vs. September 2003				
	Traffic (RPK)	Capacity (ASK)	Load factor	Change of load factor
SAS Group	3,4%	6,4%	65,3%	-1,9 p u
Scandinavian Airlines	-0,4%	3,8%	66,3%	-2,8 p u
Spanair	5,4%	11,8%	65,2%	-4,0 p u
Braathens	15,8%	3,7%	64,8%	+6,8 p u
Widerøe	14,3%	10,0%	56,4%	+2,1 p u
Blue1	85,5%	70,5%	50,8%	+4,1 p u

Route area (change):	Sep 04 vs. Sep 03		Jan-Sep 04 vs. Jan-Sep 03	
	Traffic (RPK)	Capacity (ASK)	Traffic (RPK)	Capacity (ASK)
Intercontinental	-3,7%	-3,1%	8,5%	0,7%
Europe	8,7%	17,0%	13,5%	17,3%
Intra Scandinavian	5,4%	-4,1%	4,7%	1,4%
Denmark	13,4%	-7,5%	9,0%	-7,5%
Norway	5,9%	-3,4%	2,8%	-1,8%
Sweden	-7,1%	-1,0%	-4,4%	-1,1%



Scandinavian Airlines

Scandinavian Airlines	Sep 04	Change	Jan-Sep 04	Change
ASK (Mill.)	3 137	3,8 %	26 423	5,5 %
RPK (Mill.)	2 081	-0,4 %	17 633	6,4 %
Passenger load factor	66,3%	-2,8 p u	66,7%	+0,6 p u
Passengers (Mill.)	1,778	-1,8 %	14,712	1,2 %

p u = percentage units

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

Internet Sales (August)

The proportion of Internet sales on www.scandinavian.net (excl. SAS Braathens) was 14,1% in August 2004.

Punctuality (September)

Within 15 minutes 90,1% of flights departed on time and within 2 minutes 66,8% of flights departed on time. The regularity was 97,6%, negatively affected by irregularities at the traffic control in Norway in the period September 27-29.

Spanair traffic development

Spanair continued to grow however at a lower level compared with previous months. Compared to September last year the capacity increased by 11,8%, and traffic grew by 5,4 % and the load factor decreased by -4,0 percentage points to 65,2%.

The increase in the Domestic network is mainly concentrated to the longer routes between the Iberian Peninsula and the Canary Islands, as well as the new route Barcelona-Seville launched in February. Compared to September last year, domestic capacity increased by 14,8% and the traffic by 7,3% resulting in a -4,8 percentage points lower load factor. Yields are back to last year levels.

In Europe capacity increased by 2,7%, traffic decreased by -2,0% versus last year resulting in -2,7 percentage points lower load factor, as a consequence of strong competition on some of the core routes.

Braathens traffic development:

Braathens scheduled passenger traffic (RPK) showed an overall increase of 15,8 % in September 2004 vs. September 2003 and the number of passengers increased by 14,2 %. Capacity (ASK) increased by 3,7 % and the passenger load factor increased by 6,8 p.u. to 64,8 %.

The September figures were affected by irregularities at the air traffic control central on September 27-29. Cancellations and reduced traffic on September 27, and 28, caused a loss of about 7 000 passengers, or 1,7 % of the September traffic.

The Norwegian domestic routes showed a 13,5 % increase in traffic while capacity decreased by 0,7 % in September 2004 vs. September 2003. Domestic passenger load factor increased by 7,6 p.u. to 61,0 %. Braathens international routes showed a 20,2 % increase in RPK and the number of passengers increased by 19,2 % in September 2004 vs. September 2003. Capacity (ASK) increased by 14,8 % and the passenger load factor increased by 3,3 p.u. to 73,0 % in September 2004 vs. September 2003.

Widerøe's traffic development

Total amount of passengers increased by 10.1% in September compared to last year. Total traffic (RPK) was up by 14.3% as average traveling distance increased. The overall load factor was up by 2.1 p.u. to 56.4%. The load factor developed well on both the domestic and the Intrasandinavian routes, however, it decreased on the UK sector as demand on the Stavanger-Newcastle and Bergen-Manchester routes was weak. Traffic volumes on all sectors are negatively affected by the ATC disruptions, which resulted in cancellations of flights to and from the South-Eastern parts of Norway on September 27-29.

Blue 1's traffic development

Blue1's total passenger traffic (RPK) increased with 86% compared to last year and the capacity (ASK) increased with 71%.

The cabin factor improved with 4.1 percentage units compared with last year. With a passenger increase of 93%, Blue1 continued to gain market share.



Spanair (scheduled)	Sep 04	Change	Jan-Sep 04	Change
ASK (Mill.)	757	11,8 %	6 424	13,4 %
RPK (Mill.)	493	5,4 %	3 941	12,2 %
Passenger load factor	65,2%	-4,0 p u	61,4%	-0,7 p u
Total Rev. passengers (Milj)	0,545	-0,4 %	4,401	7,2 %
Route area (change):	Sep 04 vs. Sep 03		Jan-Sep 04 vs. Jan-Sep 03.	
	Traffic (RPK)	Capacity (ASK)	Traffic (RPK)	Capacity (ASK)
Spanish domestic	7,3%	14,8%	17,5%	19,5%
European Routes	-2,0%	2,7%	-3,8%	-2,1%



Braathens (scheduled)	Sep 04	Change	Jan-Sep 04	Change
ASK (Mill.)	478	3,7 %	4 150	5,2 %
RPK (Mill.)	309	15,8 %	2 658	13,9 %
Passenger load factor	64,8%	+6,8 p u	64,1%	+4,9 p u
Total no. of passengers, (milj)	0,416	14,2 %	3,420	7,9 %
Route area (change):	Sep 04 vs. Sep 03		Jan-Sep 04 vs. Jan-Sep 03	
	Traffic (RPK)	Capacity (ASK)	Traffic (RPK)	Capacity (ASK)
Norwegian dom.	13,5%	-0,7%	5,7%	-1,4%
European Routes	20,2%	14,8%	33,3%	24,9%



Widerøe's	Sep 04	Change	Jan-Sep 04	Change
ASK (Mill.)	90	10,0 %	793	10,0 %
RPK (Mill.)	51	14,3 %	423	11,2 %
Passenger load factor	56,4%	+2,1 p u	53,4%	+0,5 p u
Total no. of passengers (Mill)	0,162	10,1 %	1,350	8,8 %



Blue1	Sep 04	Change	Jan-Sep 04	Change
ASK (Mill.)	137	70,5%	1075	74,6%
RPK (Mill.)	70	85,5%	534	84,9%
Passenger load factor	50,8%	+4,1 p u	49,6%	+2,8 p u
Total no. of passengers (Mill)	0,111	92,9%	0,825	86,7%

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

INTERCONTINENTAL ROUTES	Sep 04	Sep 03	CHANGE	Jan-Sep 04	Jan-Sep 03	CHANGE
ASK (Mill.)	1 106	1 141	-3,1%	9 693	9 626	+0,7%
RPK (Mill.)	899	933	-3,7%	7 921	7 298	+8,5%
Passenger load factor	81,2%	81,8%	-0,5 p u	81,7%	75,8%	+5,9 p u
Total no. of passengers (000)	125,1	134,6	-7,1%	1 123,2	1 049,8	+7,0%
EUROPEAN ROUTES	Sep 04	Sep 03	CHANGE	Jan-Sep 04	Jan-Sep 03	CHANGE
ASK (Mill.)	1 330	1 145	+16,2%	10 937	9 539	+14,7%
RPK (Mill.)	781	743	+5,2%	6 319	5 842	+8,2%
Passenger load factor	58,7%	64,9%	-6,1 p u	57,8%	61,2%	-3,5 p u
Total no. of passengers (000)	718,2	713,4	+0,7%	5 811,6	5 653,0	+2,8%
INTRA-SCANDINAVIAN ROUTES	Sep 04	Sep 03	CHANGE	Jan-Sep 04	Jan-Sep 03	CHANGE
ASK (Mill.)	243	253	-3,8%	2 013	1 962	+2,6%
RPK (Mill.)	145	138	+5,2%	1 159	1 102	+5,2%
Passenger load factor	59,9%	54,7%	+5,2 p u	57,6%	56,1%	+1,5 p u
Total no. of passengers (000)	299,9	288,2	+4,1%	2 390,1	2 278,6	+4,9%
DANISH DOMESTIC ROUTES	Sep 04	Sep 03	CHANGE	Jan-Sep 04	Jan-Sep 03	CHANGE
ASK (Mill.)	25	27	-7,5%	197	213	-7,5%
RPK (Mill.)	16	14	+13,4%	120	110	+9,0%
Passenger load factor	64,1%	52,3%	+11,8 p u	60,8%	51,6%	+9,2 p u
Total no. of passengers (000)	79,2	68,5	+15,5%	580,5	526,5	+10,3%
NORWEGIAN DOMESTIC ROUTES	Sep 04	Sep 03	CHANGE	Jan-Sep 04	Jan-Sep 03	CHANGE
ASK (Mill.)	144	165	-12,7%	1 288	1 381	-6,8%
RPK (Mill.)	85	94	-9,6%	759	799	-5,0%
Passenger load factor	59,3%	57,3%	+2,0 p u	58,9%	57,8%	+1,1 p u
Total no. of passengers (000)	233,8	256,3	-8,8%	2 044,2	2 125,9	-3,8%
SWEDISH DOMESTIC ROUTES	Sep 04	Sep 03	CHANGE	Jan-Sep 04	Jan-Sep 03	CHANGE
ASK (Mill.)	289	291	-1,0%	2 295	2 321	-1,1%
RPK (Mill.)	154	166	-7,1%	1 356	1 419	-4,4%
Passenger load factor	53,5%	57,0%	-3,5 p u	59,1%	61,1%	-2,0 p u
Total no. of passengers (000)	322,2	349,5	-7,8%	2 762,9	2 898,7	-4,7%