



Press release

19 March 2010

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SAS AB (publ) prices SEK 1.60 billion convertible bond offering

SAS AB (publ) ("SAS" or the "Company") today announces that it has successfully priced a five year, SEK 1.60 billion offering of convertible bonds (the "Bonds"). The offering was upsized from an initial size of SEK 1.42 billion.

The senior unsecured Bonds will have an annual coupon of 7.5% payable quarterly in arrear and will be convertible at a conversion price of SEK 3.5913 equal to a conversion premium of 30% of the volume weighted average price of the Company's shares on NASDAQ OMX Stockholm between launch and pricing on 19 March 2010 (the "Reference Price").

The Reference Price of the Company's shares was set at SEK 2.7625.

The Bonds will be issued at 100% of their principal amount and will, unless previously redeemed, converted or purchased and cancelled, mature in 2015. SAS has the right to redeem the Bonds after approximately three years following the issue date if the value of the SAS shares underlying one Bond on NASDAQ OMX Stockholm exceeds, for a specified period of time, 150% of the principal amount of a Bond.

The Bonds are expected to be settled on or around 1 April, 2010. The issue of the Bonds has been underwritten by J.P.Morgan, subject to customary conditions.

Conversion rights in respect of the Bonds will be settled in cash unless the Annual General Meeting on 7 April 2010 (the "AGM") passes resolutions related to the rights issue of common shares, including amendments to the Articles of Association of the Company, and an authorization for the Board of Directors to issue convertible bonds, such authorization being registered with the Swedish Companies Registration Office.

If the aforementioned resolutions are passed at the AGM and the rights issue of common shares subsequently closes, the Board of Directors intends to exchange the Bonds into convertible bonds, which may be converted into common shares of the Company.

If the proposed rights issue of shares does not close, the Company shall redeem the Bonds in cash on or around 15 May 2010 at 100% of the principal amount of the Bonds, together with accrued but unpaid interest.

Satisfaction of Conditions for the Rights Issue

As previously disclosed, the Company will, subject to the AGM's approval, carry out a preferential rights issue for approximately SEK 5 billion. The rights issue is supported

by the Company's four largest shareholders and by a syndicate of underwriters on the conditions that, inter alia, the Group refinances approximately SEK 2 billion in aggregate principal amount of bonds maturing in 2010 and a final agreement on SEK 500 million in cost-cutting measures is reached with unions representing the Group's pilots and cabin crew personnel.

The condition relating to the cost-cutting measures of SEK 500 million was satisfied by the final agreement reached with the unions on 12 March 2010, as previously disclosed. With respect to the refinancing condition, the Company has recently issued bonds on the EMTN market in an aggregate principal amount of €60 million, or approximately SEK 600 million. Among other things, the proceeds from the issue of the Bonds and EMTN financing will be used to repay certain of the Group's current liabilities in 2010. Upon the issue of the Bonds, and subject to the rights issue, SAS will have met the condition to refinance approximately SEK 2 billion of its bonds maturing in 2010 and thereby the two key conditions for the rights issue.

This announcement does not constitute or form part of an offer to sell or the solicitation of an offer to subscribe for any securities of SAS.

For further information, please contact

Sture Stølen, Head of SAS Group Investor Relations, +46 70 997 1451.

SAS discloses this information pursuant to the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. The information was provided for publication on 19 March 2010, at 2.35 pm CET.

Important Note

This press release is not being issued in or to the United States of America, Canada, Australia, Japan or in any other jurisdiction in which such distribution would be prohibited by applicable law. This press release does not constitute or form part of an offer or solicitation of an offer to purchase or subscribe for securities in the United States. The Bonds and the shares referred to herein will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States, except pursuant to an applicable exemption from registration.

This press release is directed only at persons who (i) are outside the United Kingdom or (ii) have professional experience in matters relating to investments who fall within Article 19(5) ("investment professionals") of The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "Order") or (iii) are persons falling, within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc") of the Order (all such persons together being referred to as "relevant persons"). This press release is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this press release relates is available only to relevant persons and will be engaged in only with relevant persons.

In addition, if and to the extent that this press release is communicated in, or the offered securities to which it relates is made in, any EEA member state that has implemented Directive 2003/71/EC (together with any applicable implementing measures in any member state, the "Prospectus Directive"), this press release and the offering described herein are only addressed to and directed at persons in that member state who are "qualified investors" within the meaning of the Prospectus Directive (or who are other persons to whom the offer may lawfully be addressed) and must not be acted on or relied on by other persons in that member state.

J.P. Morgan is acting for the Company and no one else in connection with the offer of the Bonds and will not be responsible to any other person for providing the protections afforded to their client, or for providing advice in relation to the proposed offer of the Bonds.