

# Airline SAS seeks \$1.3bn to handle virus fallout

June 30 2020

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Scandinavian airline SAS unveiled Tuesday a plan to raise around 12 billion Swedish kronor (\$1.3 billion or 1.1 billion euros) in new funds to deal with the impact of the novel coronavirus.

Supported by the three largest shareholders, including the governments of Sweden and Denmark, will result in a 14.25 billion kronor boost to

the airline's equity as it will convert some existing bonds into [equity](#).

SAS said it does not expect demand for travel to return to pre-COVID-19 levels before 2022.

Like many airlines, SAS has been hit hard by the COVID-19 pandemic and announced in mid-March it was temporarily laying off 90 percent of its workforce.

Since then, the [company](#) has announced it will be cutting 1,900 full-time positions in Sweden, 1,300 in Norway, and 1,600 in Denmark, accounting for some 40 percent of the company's staff.

In mid-June, SAS said it needed 12.5 billion in new funding as part of its recapitalisation plan, and the government of Sweden said it was ready to inject five billion kronor into the company.

The Danish [government](#) also announced it was willing to support the ailing airline but did not give a figure.

Shares in SAS were down more than 10 percent on the Stockholm stock exchange following the plan's unveiling.

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