



**Analysts and Investors conference call
Q1 2012 results
15 May 2012**



Management summary

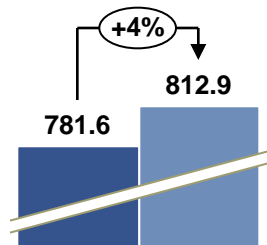
- Successful start into the year 2012
- Shape & Size has accounted to the operational improvement with more than EUR 50 m
- Positive revenue development with an increased seat load factor by 3.9%-points and yield improvement by 7.3% compared to Q1/2011
- Cancellation of routes and capacity reduction have positively contributed to the operating result in Q1/2012
- The severe fuel price increase of 18% compared to previous year's quarter could also be compensated by cost reduction measures out of Shape & Size
- Operating result improved by 21% compared to Q1/11
- Net debt reduced due to the capital increase of Etihad Airways



Financial Performance Q1 2012

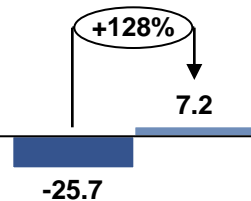
[in EUR m]

Revenue



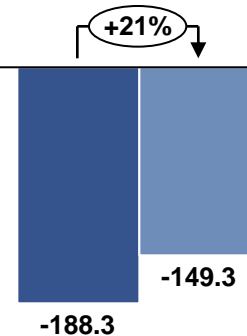
Revenue grew strongly driven by yield and seat load development – despite a 10% reduction in capacity

EBITDAR



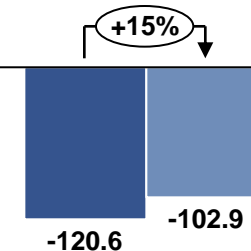
Reduction in cost (ex fuel) and positive topline development offset the strong increase in fuel costs leading to positive EBITDAR

EBIT



Cost of aircraft ownership improved resulting in close to EUR 40 m EBIT improvement

NET income

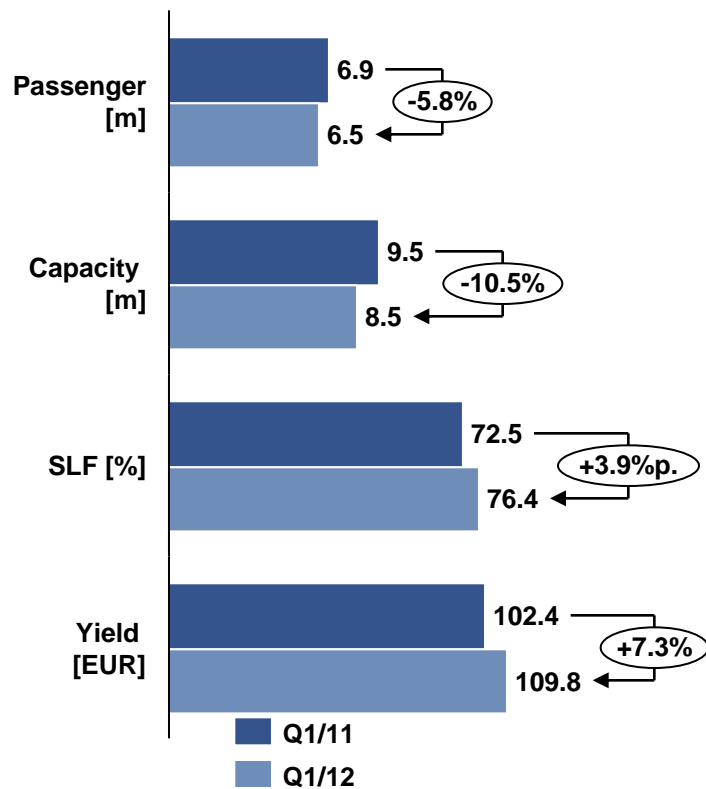


Financial result is EUR 18 m weaker than Q1/2011 due to non cash valuation differences in hedging instruments

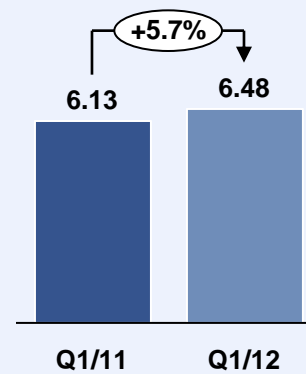
■ Q1 / 2011
■ Q1 / 2012

Operational development – 1st quarter

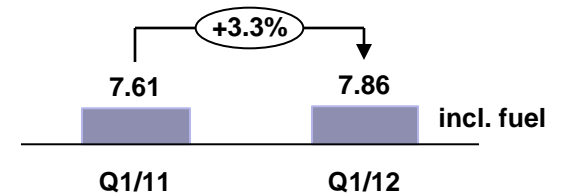
Passenger, capacity, seat load factor & yield development



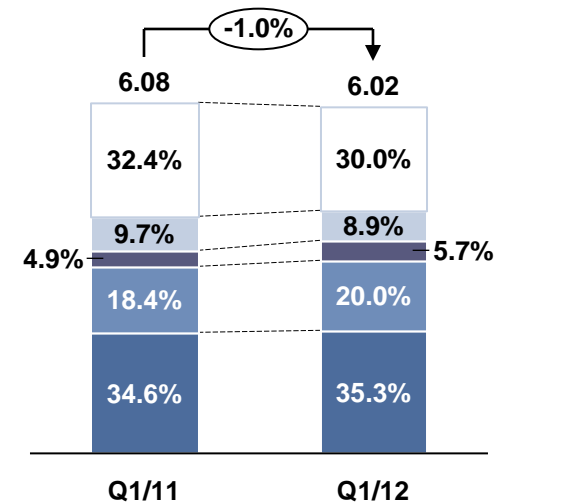
Total revenue per ASK [EUR ct.]



Cost (EBIT-level) per ASK [EUR ct.]



Cost (EBIT-level) per ASK excl. fuel [EUR ct.]

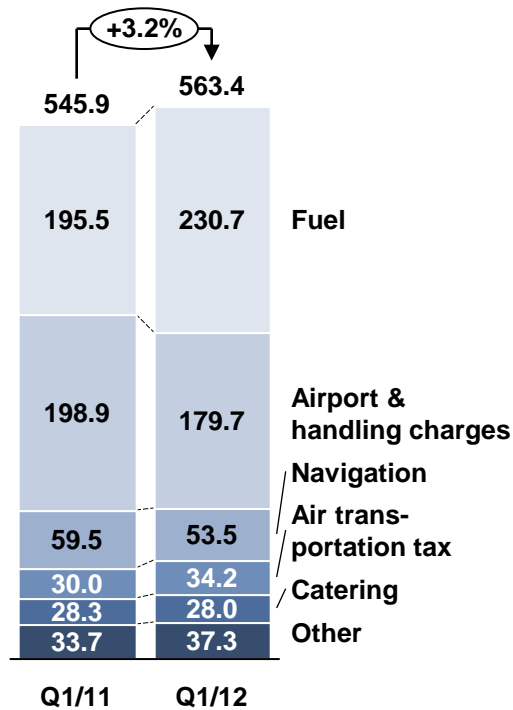


- A/P and handling charges
- Navigation
- Air transportation tax
- Personnel
- Other

Development of Expenses [EUR m]

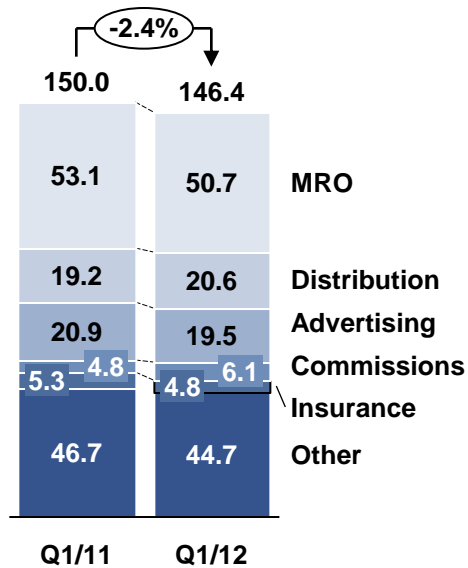
Direct operating expenses

- Compared to Q1/11 strong increase in fuel costs (+18%), other cost are in line with capacity reduction and cost reduction initiatives



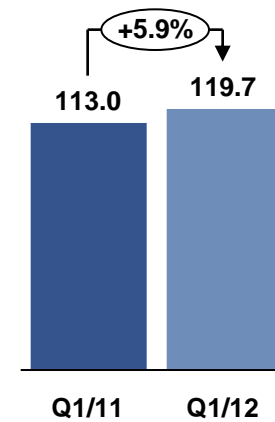
Other operating expenses

- Distribution cost higher compared to Q1/11 due to new inventory



Personnel expenses

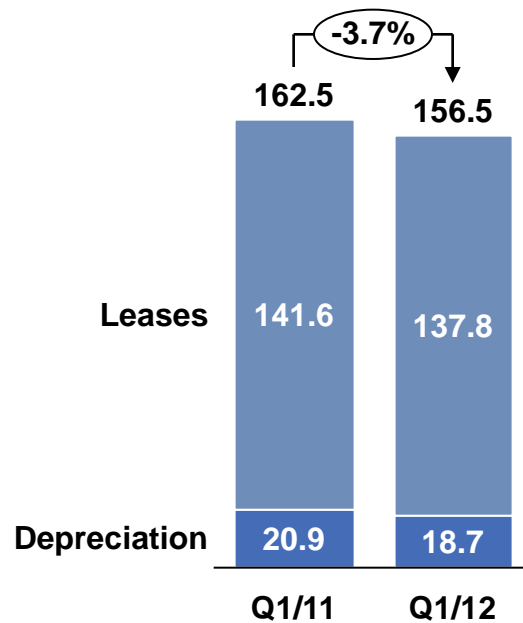
- Higher than last year driven by FTE increase and increment due to collective agreement



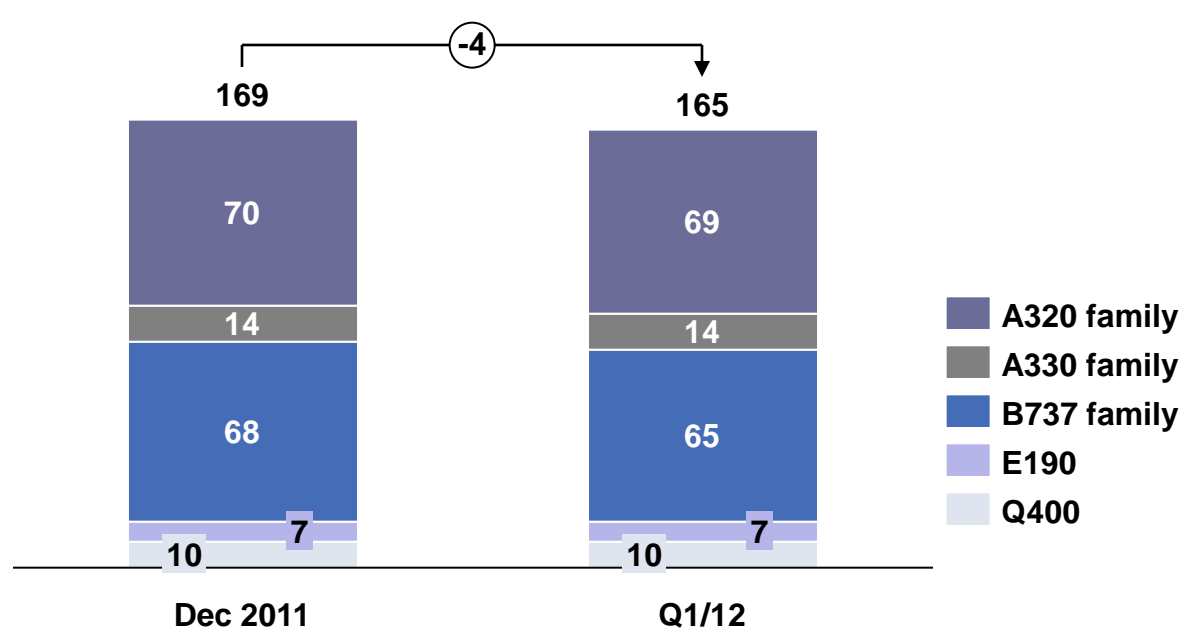
Cost of aircraft ownership

Leases & depreciation [EUR m]

- Lower than last year driven by reduction in fleet



Fleet development [number of aircraft]

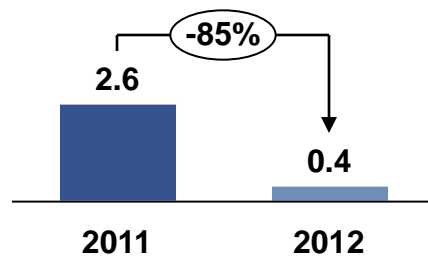


Financial result Q1 2012 vs. Q1 2011

[EUR m]

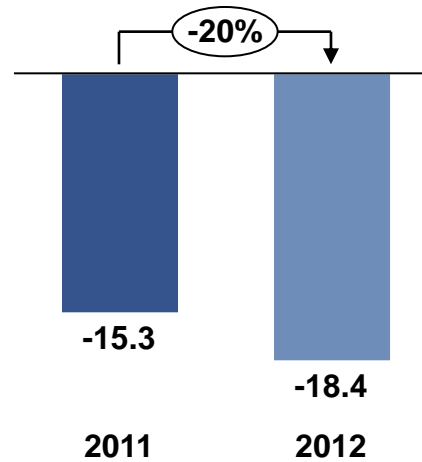
Breakdown of financial result

Income



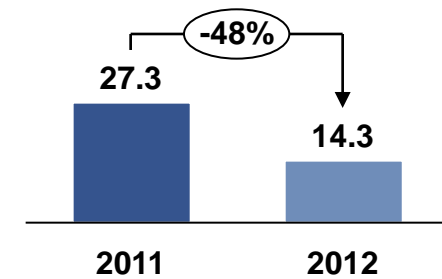
- Lower interest income compared to last year

Expenses



- Interest expenses in 2012 higher due to interest on corporate bonds

Currency & derivatives effects



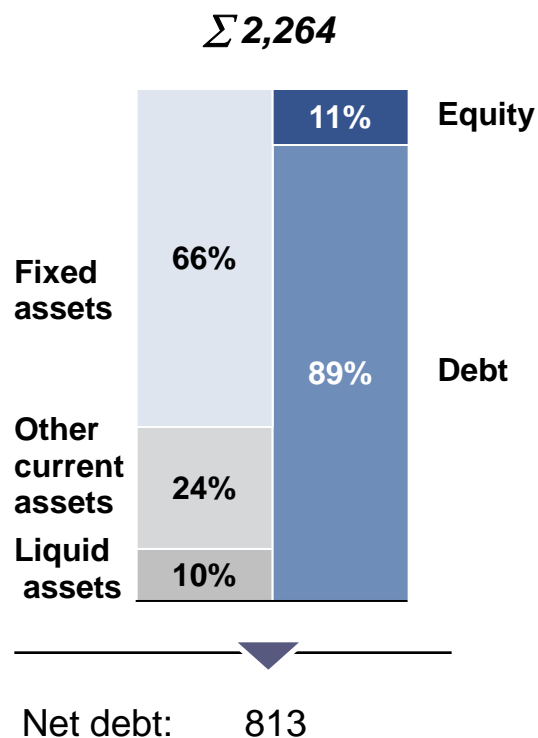
- Non-cash evaluation effect; lower than last year

Balance sheet

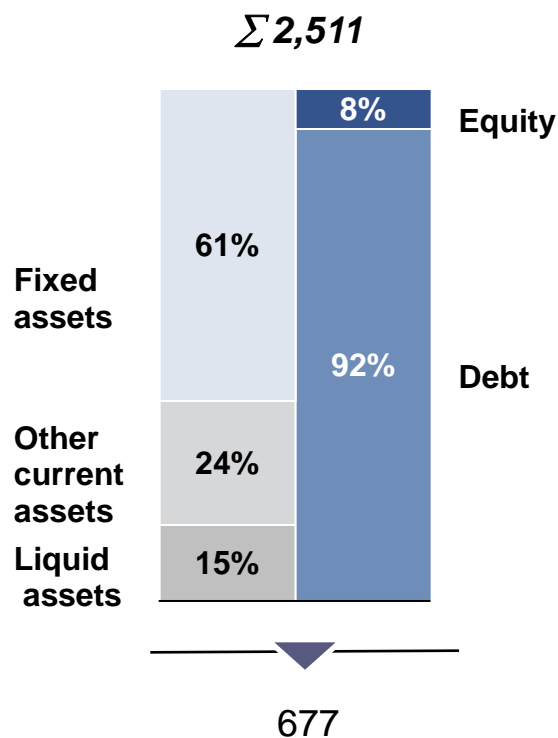
[EUR m]

Balance sheet structure, 2011 vs. Q1 2012

B/S as of December 31, 2011



B/S as of March 31, 2012

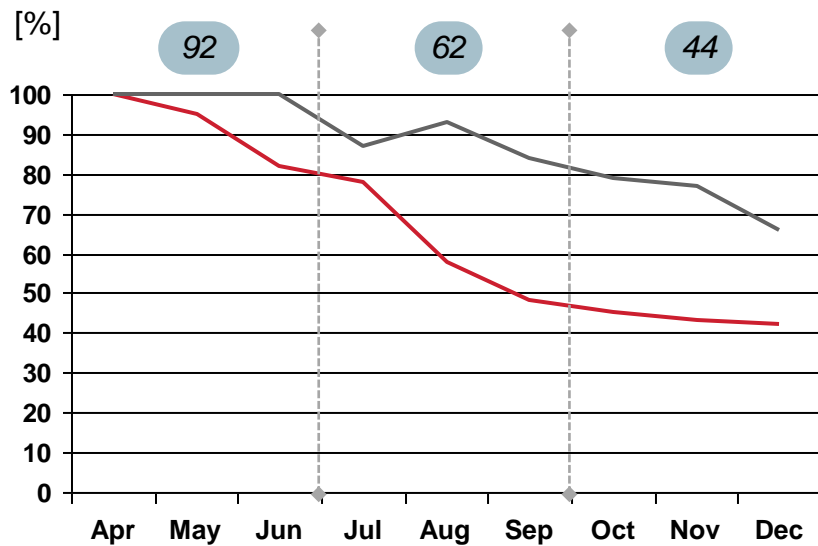


- Equity increase of EUR 73 m through Etihad
- Seasonal loss in Q1 with negative impact on equity ratio; cumulative profitability for the next three quarters expected to improve ratio
- Next to equity injection, close to EUR 90 m were drawn under the credit facility with Etihad (shareholder loan)

Dollar hedging 2012

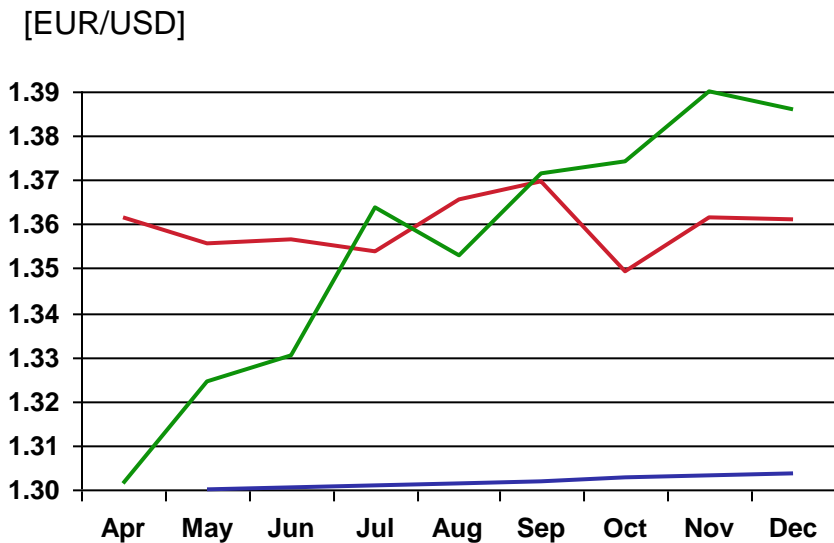
Dollar hedging profile and FX rate development, 2012 vs. 2011

Hedging profile [%]



— Hedging Rate 2012 (as of 05/11/2012)
 — Hedging Rate 2011 (as of 05/2011)

*FX rate development * [USD/EUR]*



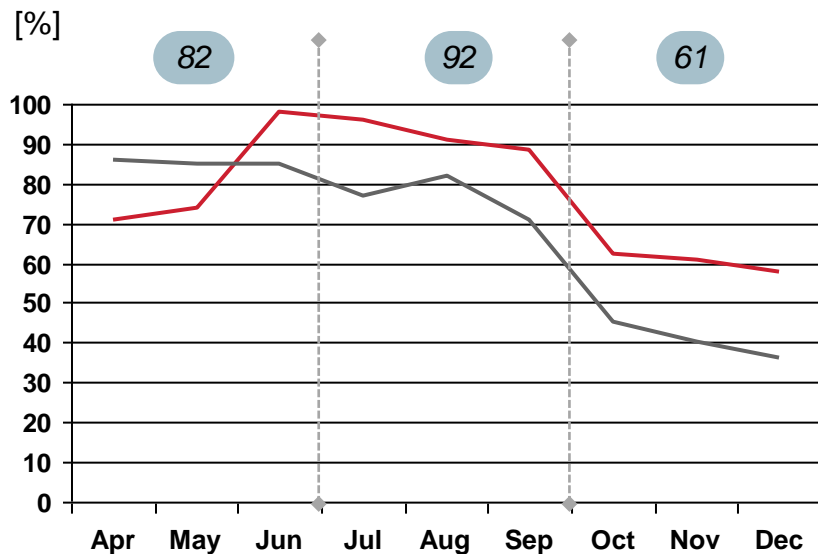
— Current Hedge rate
 — Market / Forward rate
 — Hedge rate 2011

* as of 11 May 2012 / May 2011

Fuel hedging 2012

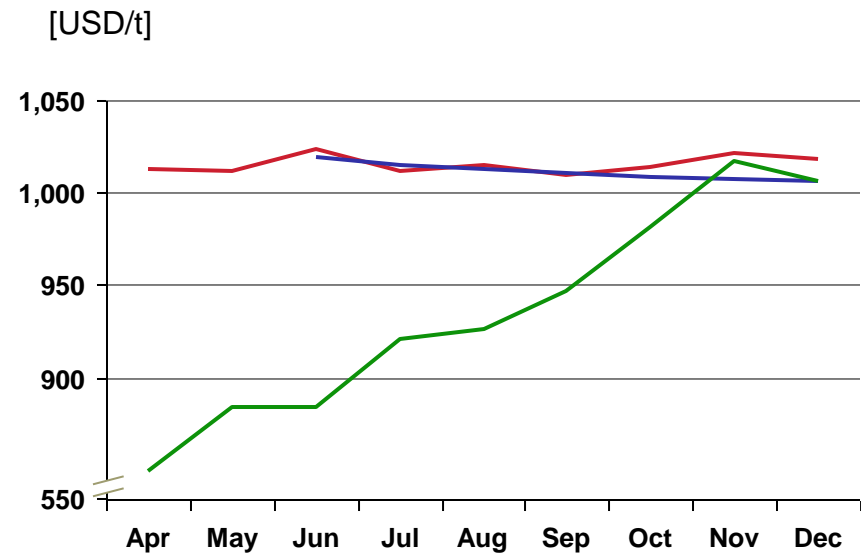
Fuel hedging profile and fuel price development, 2012 vs. 2011

Hedging profile [%]



— Hedging Rate 2012 (as of 05/11/2012)
 — Hedging Rate 2011 (as of 05/2011)

*Price¹⁾ development * [USD/t]*



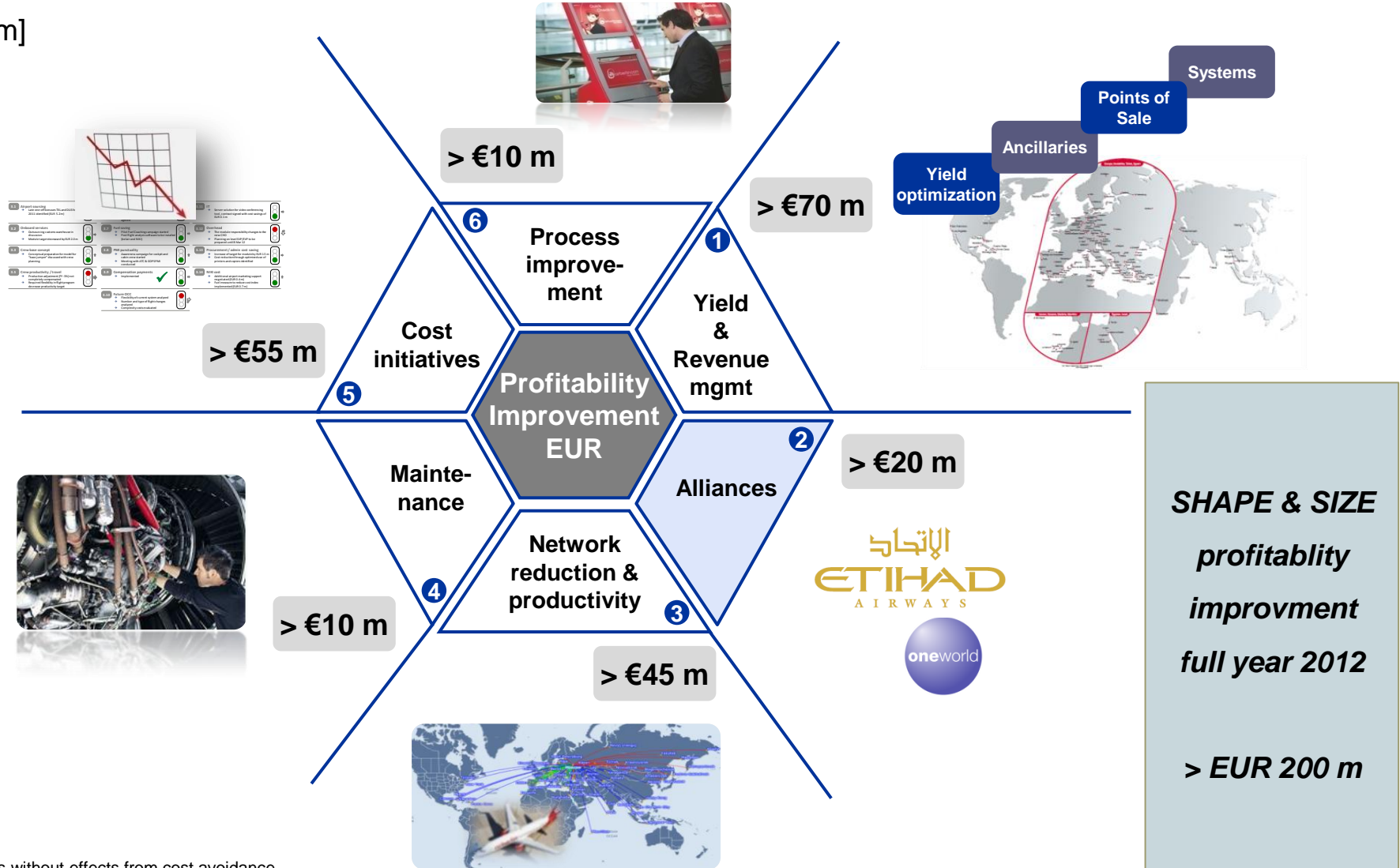
— Current Hedge price
 — Market / Forward price
 — Hedge price 2011

1) excl. differentials

* as of 11 May 2012 / May 2011

Shape & Size overview of key performance indicators and full year EBIT impact as of March 16th 2012

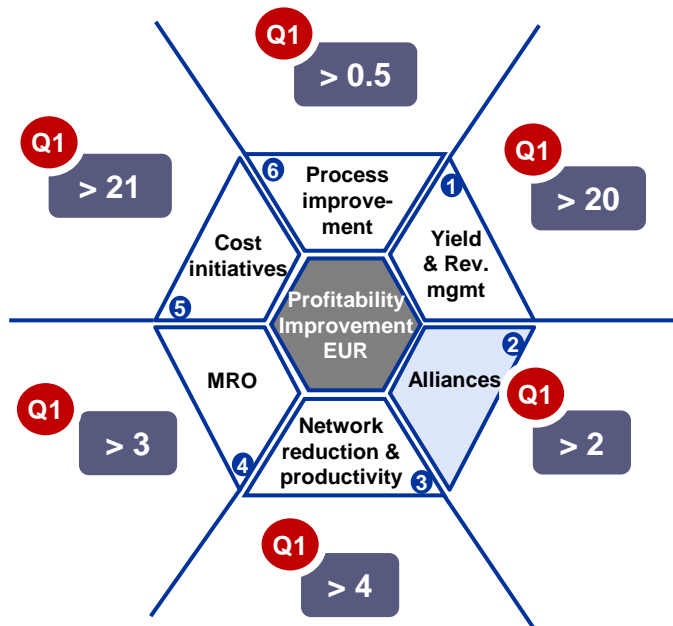
[EUR m]



EBIT values without effects from cost avoidance

Contribution to full year EBIT improvement of more than EUR 50 m in the first quarter of 2012

Q1 2012 Shape & Size performance [EUR m]



SHAPE & SIZE
profitability
improvement in
Q1/12
> EUR 50 m

- 1 Satisfying yield development
- 2 oneworld effects
- 3 Aircraft sourcing
- 4 Strategic procurement
- 5 Overall good achievements
- 6 Enhanced crew productivity and crew travel

EBIT improvement now > EUR 225 m in 2012 with increasing impact in the course of the year

[EUR m]

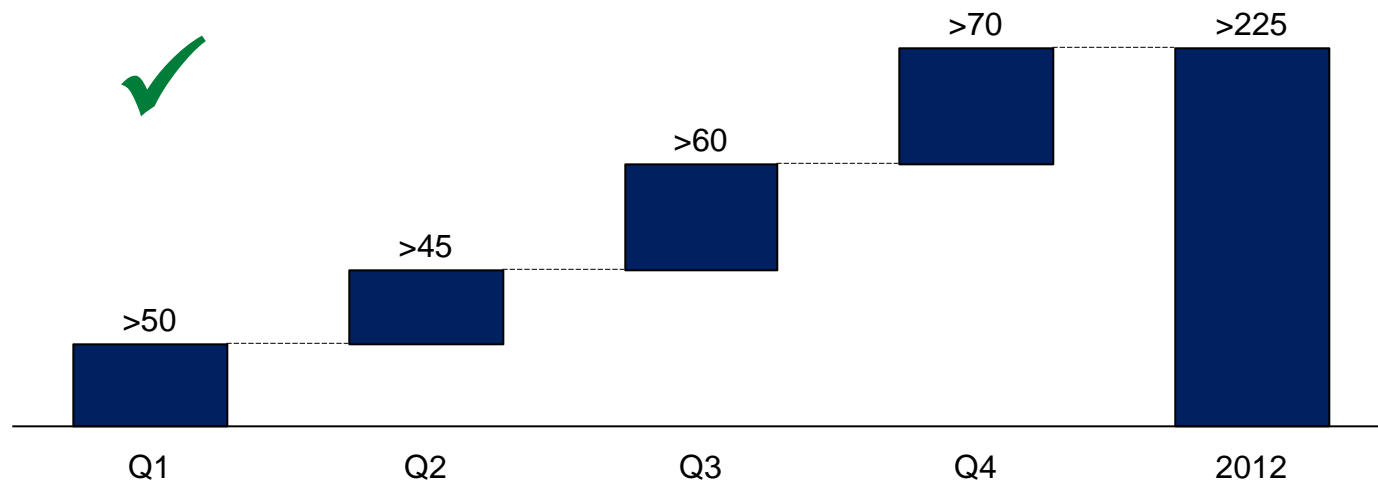
Share of Total

≈ 22%

≈ 31%

≈ 34%

Effect in EUR m



Implementation

Realization

Strong earning improvement envisaged

Target 2012

Operational performance



Capacity

- Strong fleet reduction (10% of aircraft)
- Reduction in selected non-strategic markets in Europe
- Moderate increase in long haul business

Capacity utilization and income

- Increasing load factor through network reduction, improved sales platform and partnerships

Result



Revenue

- Growth in revenue through yield and SLF growth expected

Expenses

- Cost per ASK ex fuel will be kept stable; structural cost increases will be offset through Shape & Size

Result

- Improvement in profitability

Balance sheet



Balance sheet

- Equity and liquidity stabilized through Etihad investment
- Deleveraging is the key objective for 2012; initiatives are on the way

Strong earnings improvement targeted for 2012, Shape & Size with continuous positive effects