Air Berlin PLC | Wien, 20. September 2012 | **DZ Bank Roadshow**

2012 is the transition year – business transformation

airberlin on its journey to sharpen its profile in the scheduled business

Measures taken to improve profitability

- *Shape & Size* efficiency program
  - Topline
  - Network & Fleet
  - Costs
  - Maintenance
- Etihad Airways partnership
- Oneworld membership
- New revenue management system and passenger service system
- Introduction of fare classes
- Organizational structure
- Guest experience

Initiatives with short term negative impacts in H1 2012

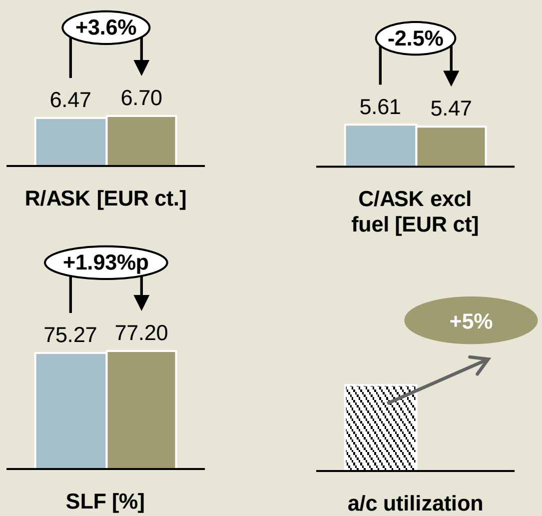
- Developing new hubs and investment of new routes
- Enhancing the long-haul product
- Lounge development
- Frequency reduction
- Route cancellation
- Investment in staff training
- Migration process in booking systems
- Temporary higher FTE needs

First improvements in H1/2012 – full effects of transition come into force in 2013

2012 is the transition year

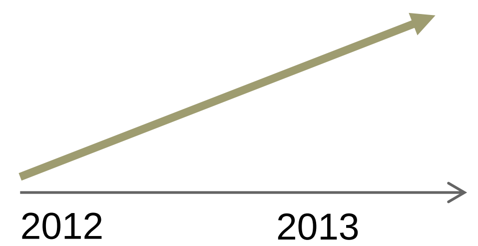
Selected improvements already established in H1/12

- R/ASK development
- Decrease C/ASK ex fuel
- Seat load factor increase
- Aircraft utilization



Effects

- Transition process comes along with investments and costs at first hand
- First improvements can be seen in H1/12
- Full positive impact of taken initiatives is projected for 2013ff.



Despite all short-term impacts, positive effects are visible in H1/2012 – strong increase in fuel price could be offset [EUR m]

Revenue development

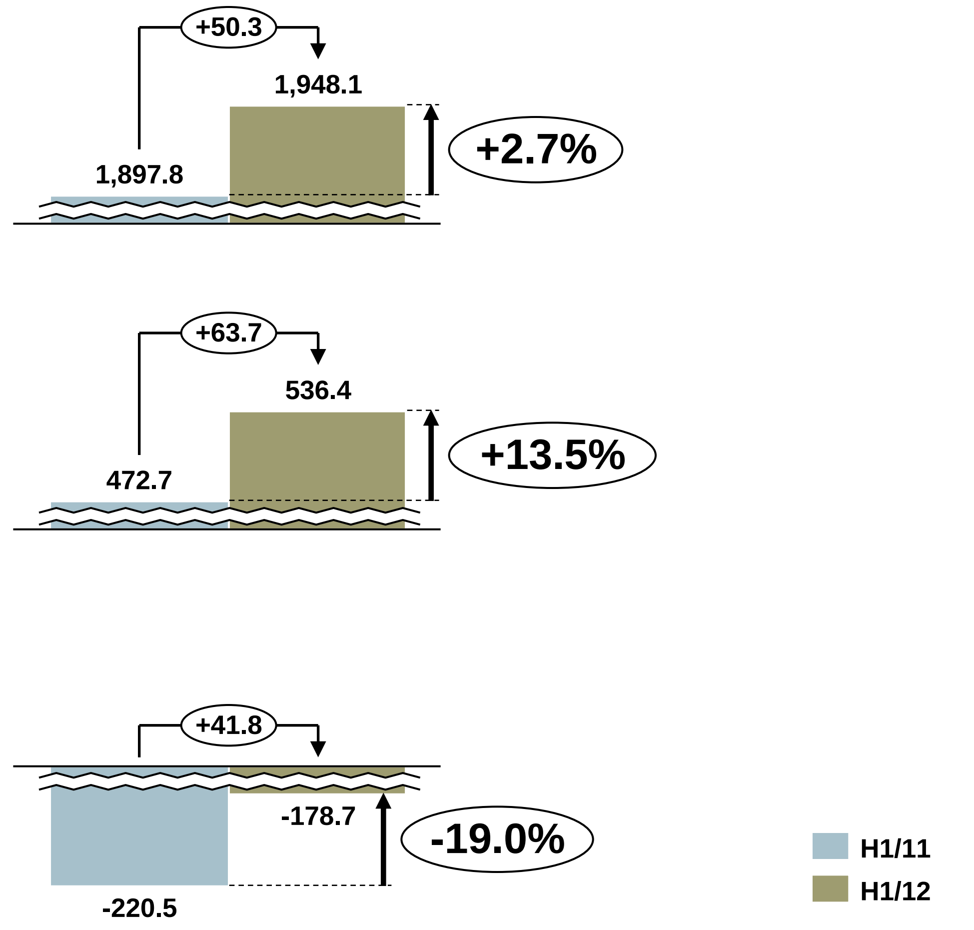
Revenue increase of 2.7% despite 7.6% less capacity (1.7 m seats have been reduced)

Fuel development

Initiatives did not only compensate for the negative effects from the transition but also the higher fuel price (EUR 63.7 m)

EBIT development

Improved performance on certain cost line items helped to offset fuel price increase and achieve better EBIT (EUR 41.8 m)



With the continuous development of our partnership plus the effective usage of new systems airberlin is on the right track for the second half

Update on partnerships

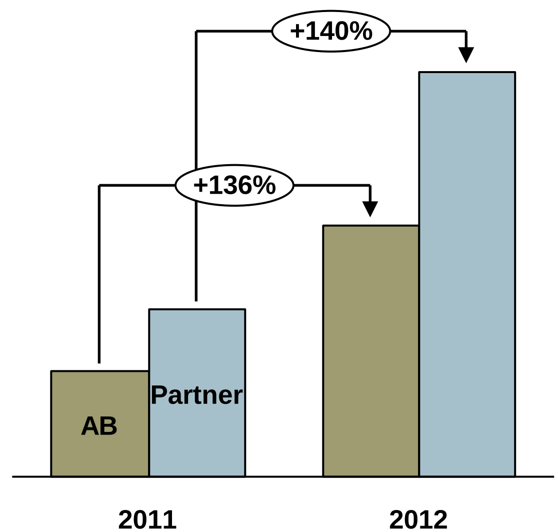
Etihad Airways

- Code-shares in place (except for bilaterally constrained markets)
- Abu Dhabi to Phuket flight revenue management by Etihad (70% of cap.)
- Joint OEM[1] negotiations
- Joint sales calls to TMCs[2], agents and corporates
- Joint marketing campaign in Germany
- Joint procurement of:
  - ULD[3] (7 year lease)
  - Fuel at common stations

oneworld

- Codeshares with seven oneworld partners successfully implemented (AA, AY, BA, IB, JAL, RJ, S7)

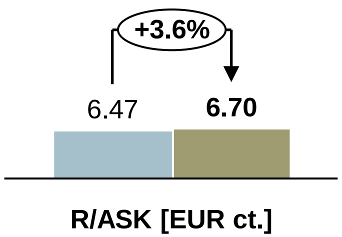
Codeshare pax volumes – H1/2012 vs. H1/2011

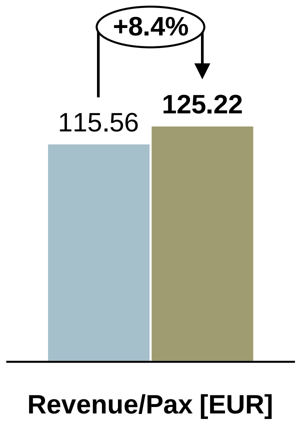


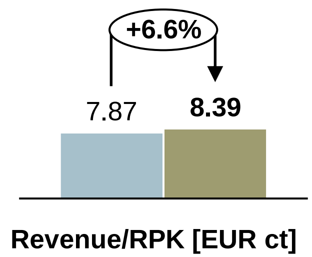
[1] Original Equipment Manufacturer
[2] Travel Management Companies
[3] Unit Load Device

Key highlights – H1 2012

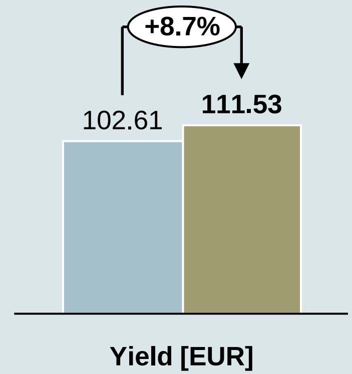
Total revenue development



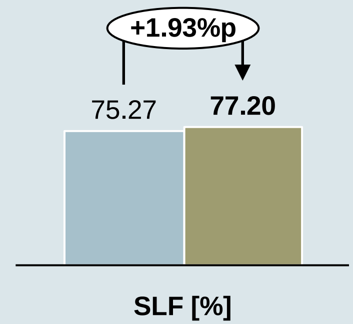




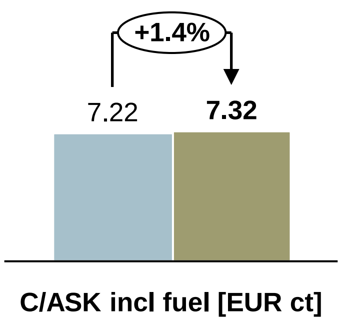
Yield

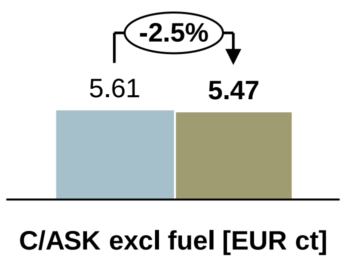


Seat load factor

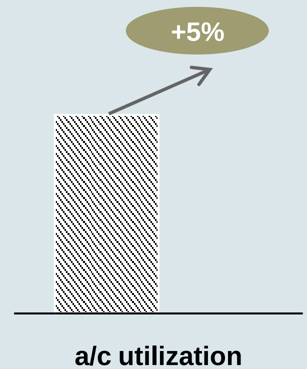


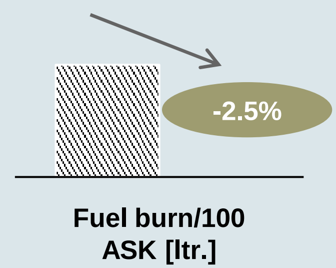
Cost 1) per ASK incl. & excl. fuel





Operational KPIs





1) Cost on EBIT level

Financial Performance [EUR m] – H1 2012

Revenue

Good revenue performance especially in Q1 delivered good H1 rolling increase despite capacity reduction

EBITDAR

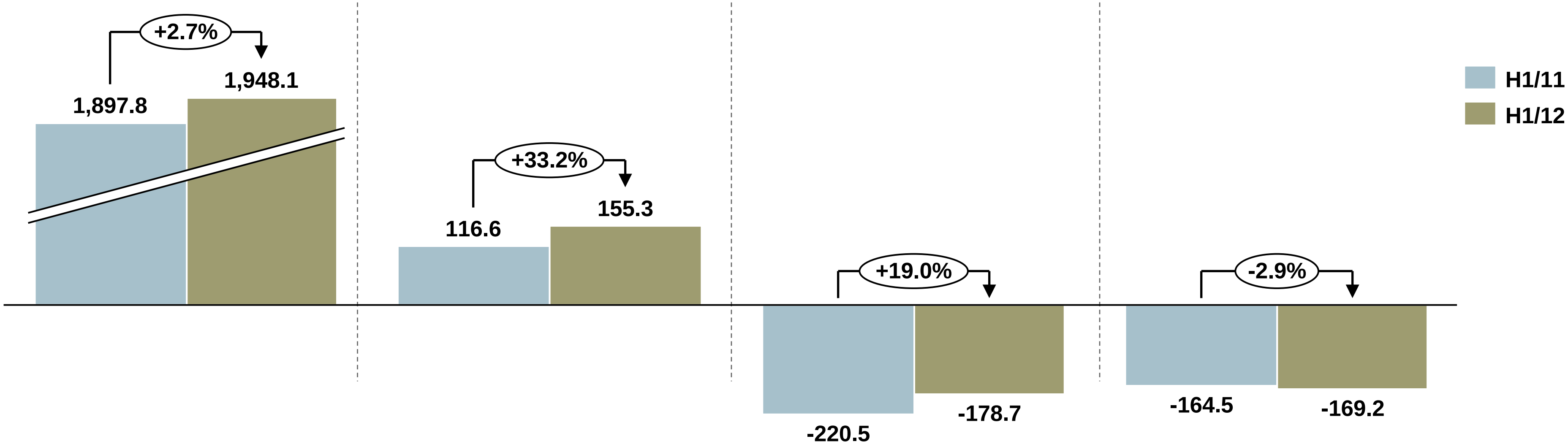
Revenue increase and cost control helped to offset fuel price increase (EUR 70 m) and still achieve higher EBITDAR

EBIT

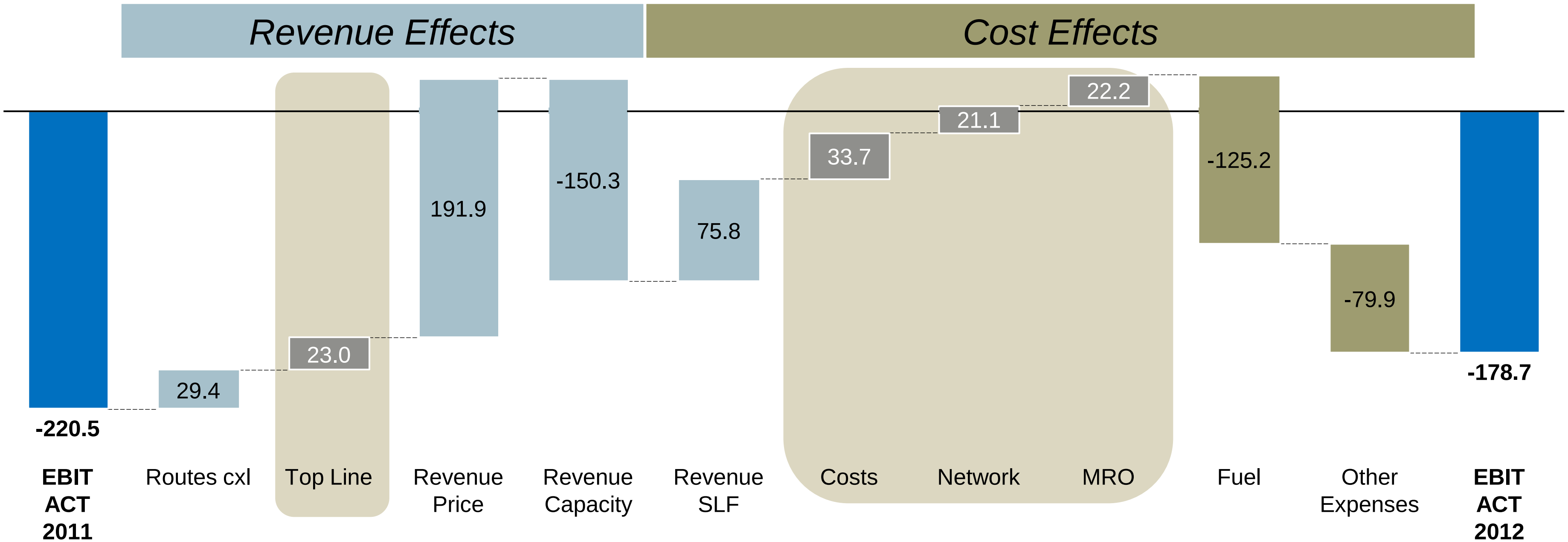
EBIT increase in line with EBITDAR development

Net result

Higher non cash financial result increased net loss



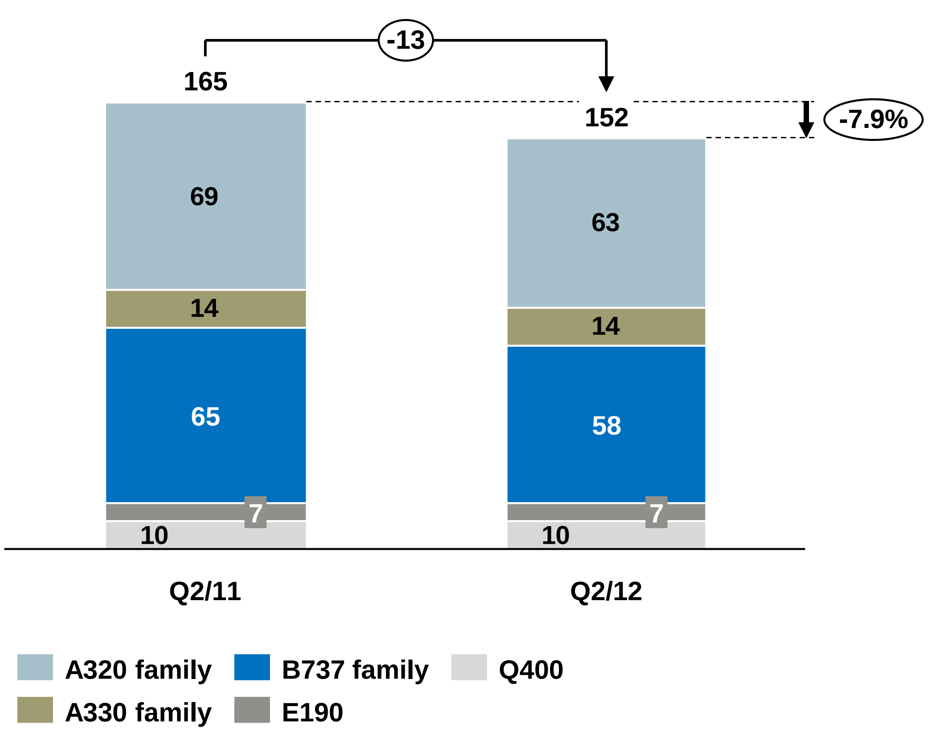
EBIT development: H1 2011 to H1 2012 incl. view Shape & Size [EUR m]



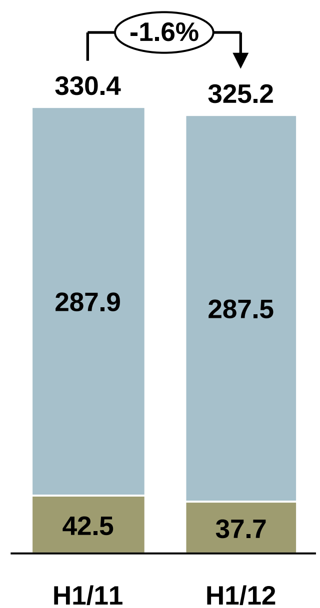
- Shape & Size = EUR 100.0 m over four clusters
- Revenue Price = +9.9%
- Capacity = -1.465k seats (-6,7%) whilst pax reduced by 725k (-4.4%); seat load factor +1.9pP
- Fuel = Fuel Price/metric tonne = $1,077 (2011: $916 -> +$161; +17,6%); 1.331 USD/EUR (+1.7%)

Cost of aircraft ownership – H1 2012

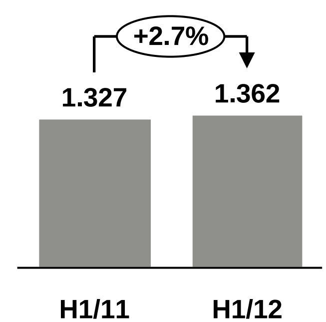
Fleet development [number of aircraft]



Net cost of leases & depreciation [EUR m]



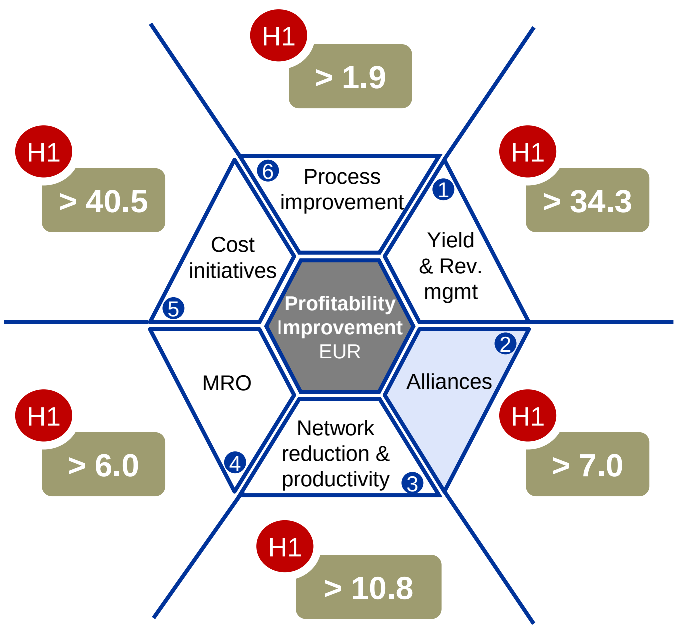
Effective dollar rate [EUR/USD]

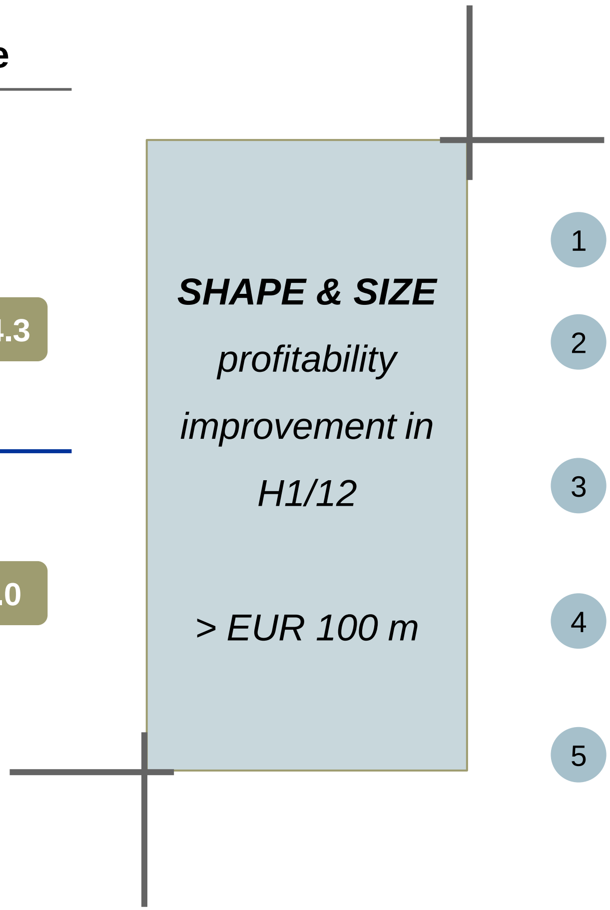


Contribution to full year EBIT improvement more than EUR 100 m in the first half of 2012

[EUR m]

H1 2012 Shape & Size performance



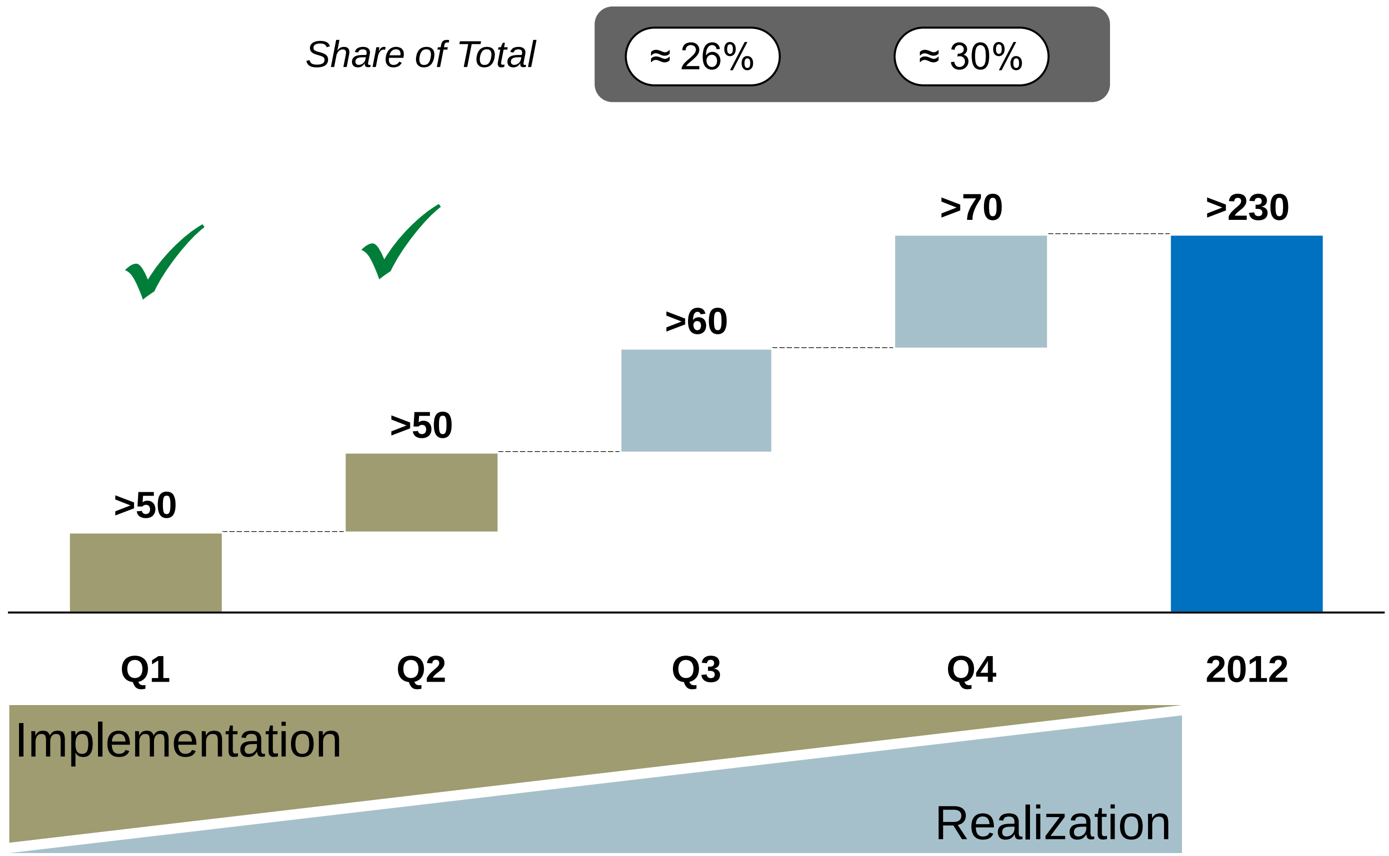


1. Enhanced yield development
2. Codeshare effects from partnership with Etihad Airways and **one**world
3. Aircraft sourcing and improvement of network productivity
4. Strategic procurement and reduction of maintenance cost
5. Several cost measures

EBIT values without effects from cost avoidance

In the course of 2012, increasing impact on EBIT – current improvement > EUR 230 m

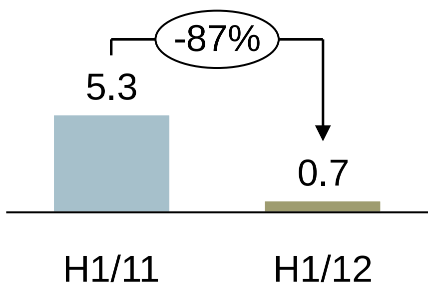
[EUR m]



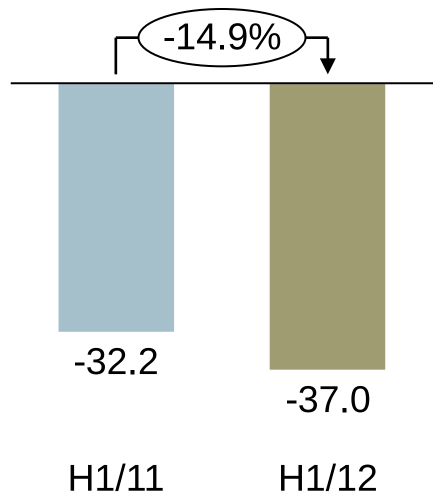
Financial result H1 2012 vs. H1 2011 [EUR m]

Breakdown of financial result

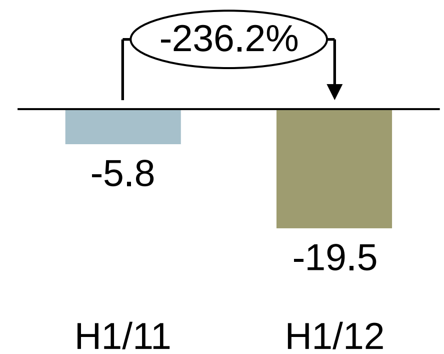
Income



Expenses

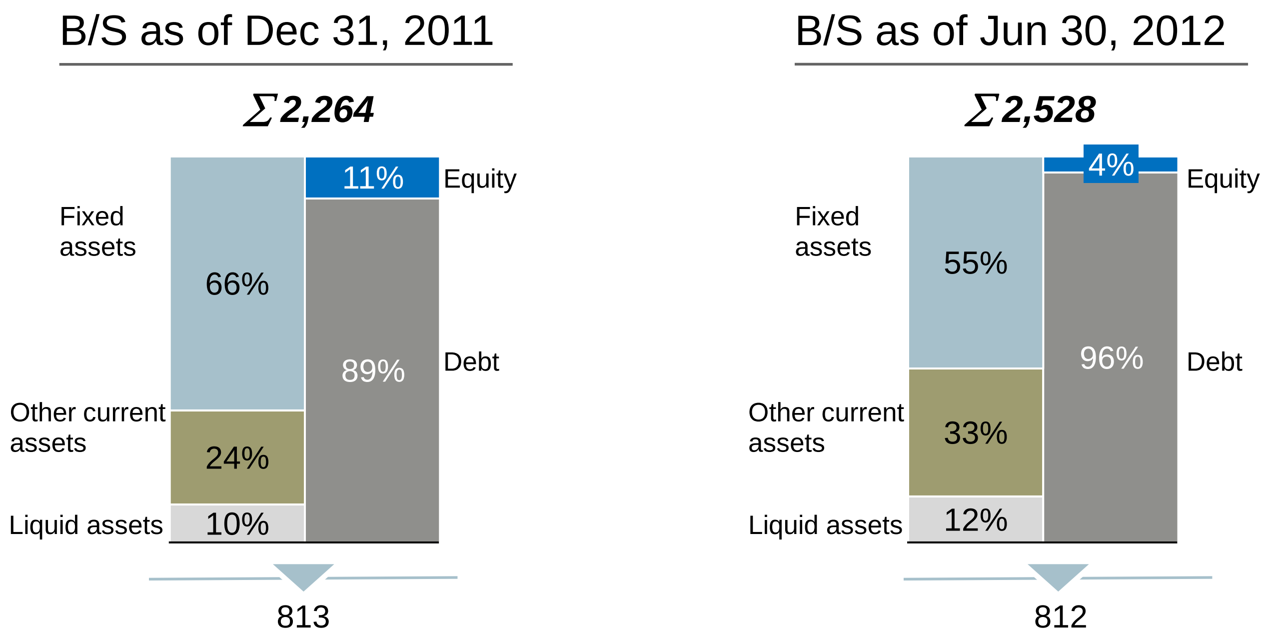


Currency & derivatives effects



- Due to USD rate development

Balance sheet structure
[EUR m]

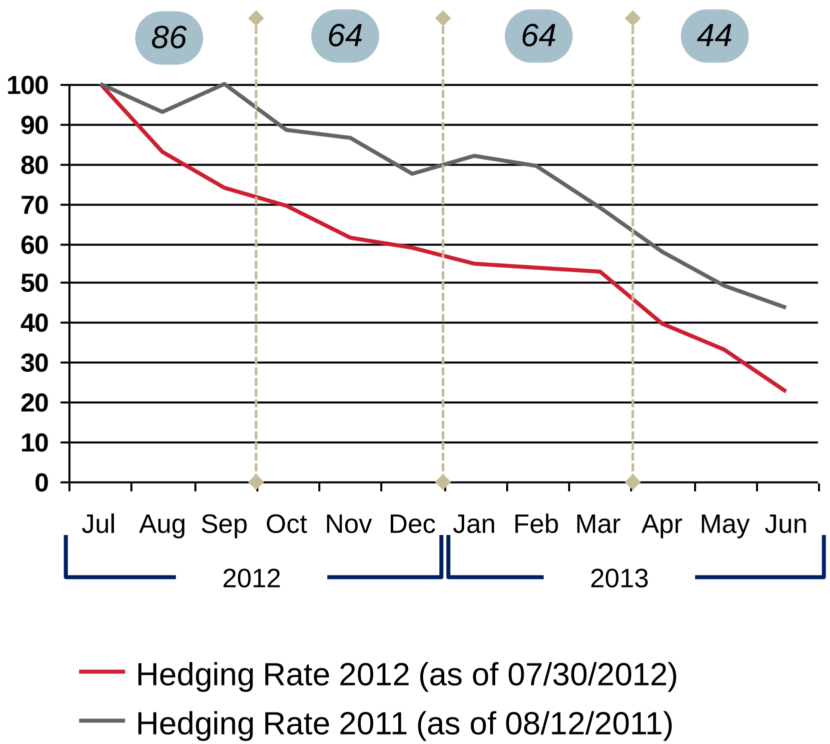


- Based on changes in market value from end of June to end of July additional EUR 60 m were accounted for in the adjusted view on equity EUR 320 m
- Balance negatively impacted by changes in market valuation
- Target is to achieve a better equity ratio at the end of the year 2012
- Net debt target is around EUR 500 m

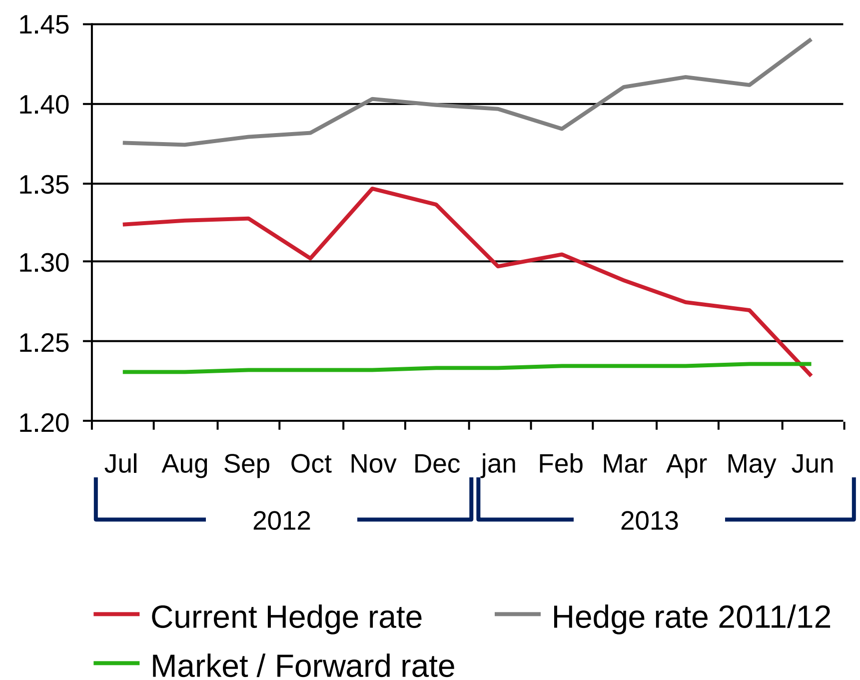
Dollar hedging 2012

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

Hedging profile [%]



FX rate development *[USD/EUR]

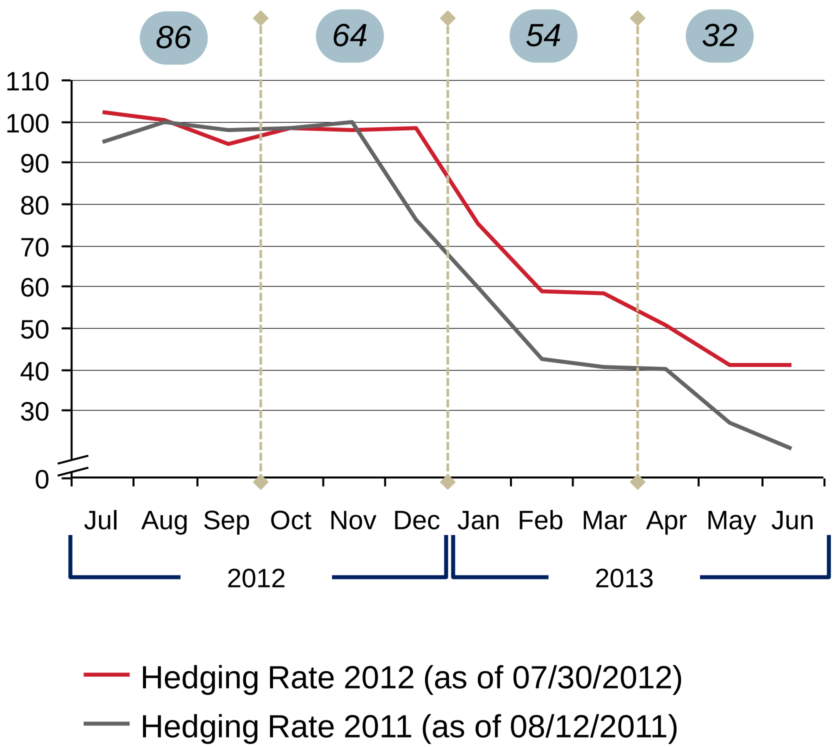


* as of 30 Jul 2012 / 12 Aug 2011

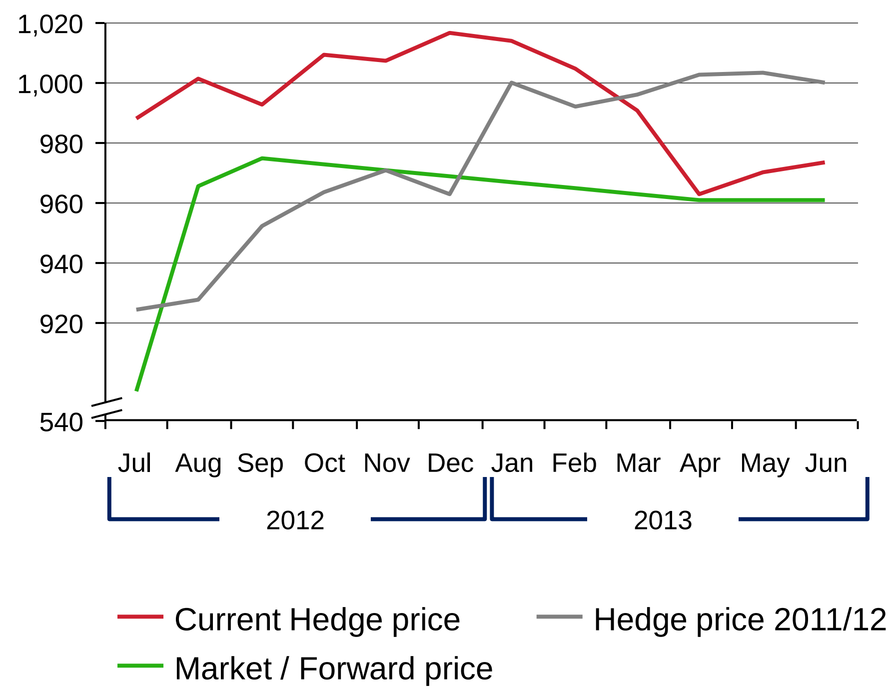
Fuel hedging 2012

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

Hedging profile [%]



Price[1)] development *[USD/t]



* as of 30 Jul 2012 / 12 Aug 2011 // 1) excl. differentials

Strong earning improvement envisaged

Target 2012

Operational performance

Capacity

- 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 excl. 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 Airways investment
- Equity ratio better than previous year at year end 2012
- Deleveraging is the key objective for 2012; initiatives are on the way
- Net debt target around EUR 500 m by year end 2012

Strong earnings improvement targeted for 2012