



Air Berlin PLC | 12th May 2015 |

Analyst Conference 1st Quarter 2015



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Executive Summary

Key Highlights Q1 2015 vs Q1 2014

- Positive revenue development (+4.2%) while capacity has been reduced (-4.0%)
- Improvement of the operating result (EBIT) by 23 Mio. EUR
- Seat load factor increased due to network optimization
- New revenue-management-system leads to visible yield improvement
- Significant growth of revenue per ASK
- CASK slightly increased due to higher costs in HR and Maintenance
- Expected positive effects from the restructuring program
- New line-up of management team

Realignment of airberlin business model

1st Phase until September 2015

Management & Leadership

- Key performance indicators (KPIs) and incentives already introduced at the top three management levels for 2015
- Realignment of corporate structures along the airline value chain to drive performance
- Review of network strategy and planning, scheduling, revenue management and sales channel management while promoting employee input

2nd Phase until March 2016

Market Segmentation & Capacity adjustments

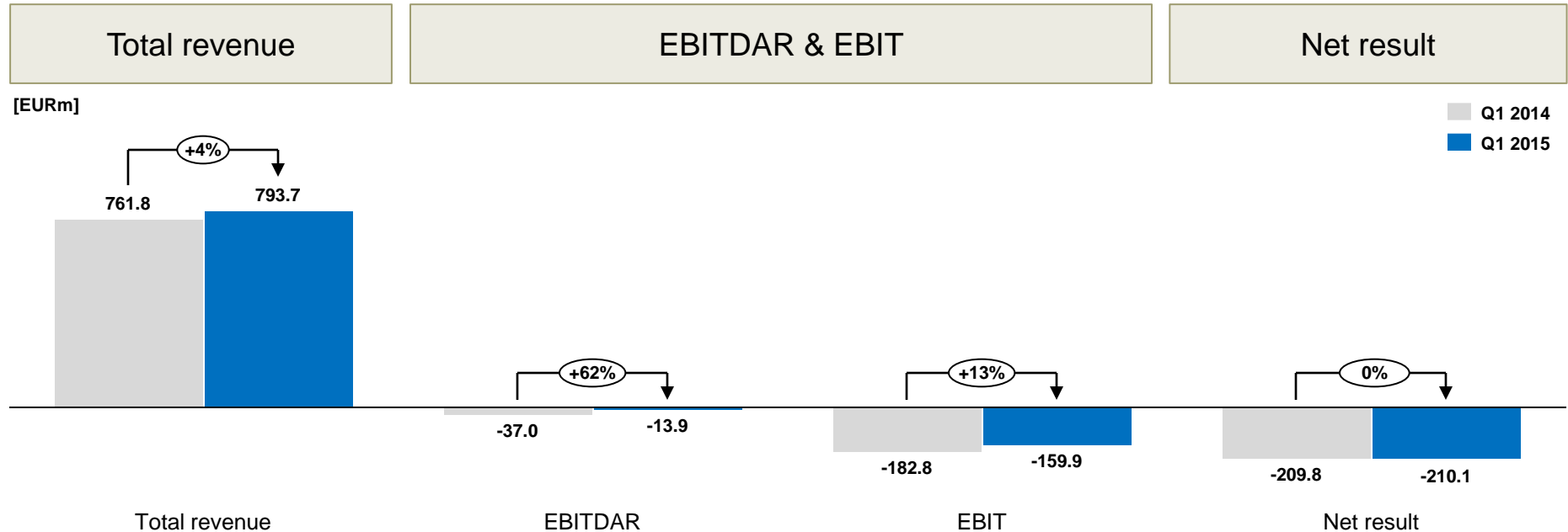
- Short-term capacity optimisation from March to June 2015 (minus 4.5 percent) implemented
- Significant yield improvements unlocked through new revenue management strategy
- Realigning of different sales channels and increase of partner airline market shares
- Increase of market shares in strategic target markets and airberlin hubs and new partnerships of withdrawal from non-strategic markets
- focus on our core business
- Realignment cost structure following capacity adjustments

3rd Phase from April 2016

Profitability & Growth

- Developing multi-hub strategy as well as new long-haul destinations
- Deciding on platform growth strategy as well as outsourcing of non-core activities
- Improving IT infrastructure as the basis for future growth

airberlin improves Q1 result on operating level



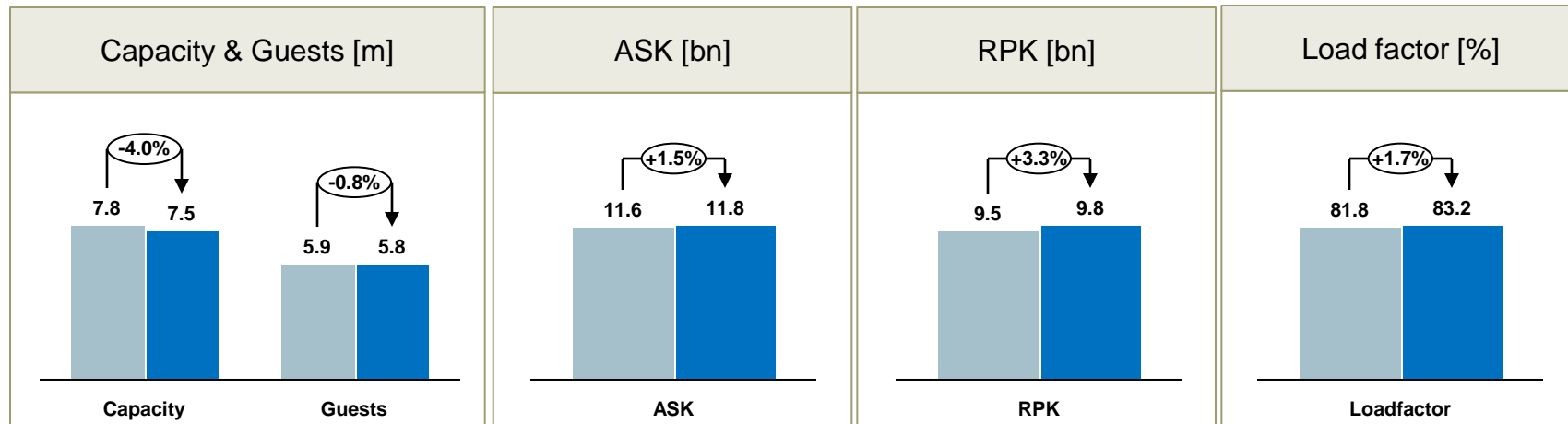
→ Higher flight revenue due to higher yields and higher load factors drive total revenue development

→ EBITDAR improvement of EUR 23m
 → EBIT follows EBITDAR as costs of fleet remain constant
 → Improved result due to higher yield and load factor on relatively stable cost base

→ Stable net result due to higher interest expense and valuation swings in hedging instruments

Load factor is one of the main driver for the Q1 2015 improvement

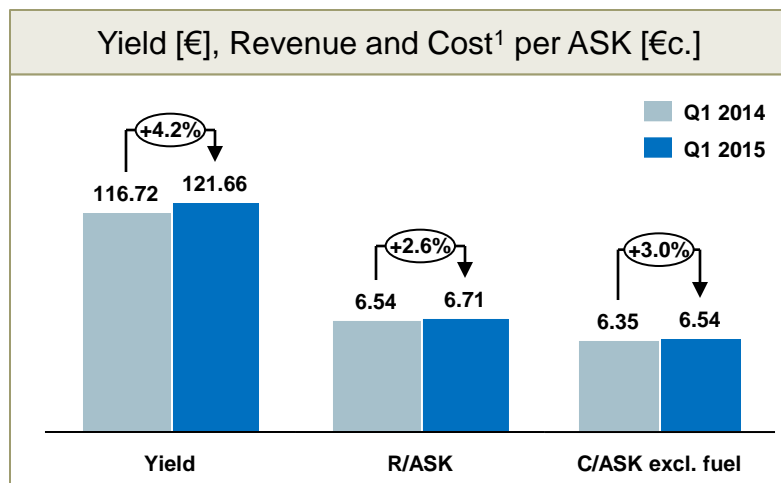
■ Q1 2014
■ Q1 2015



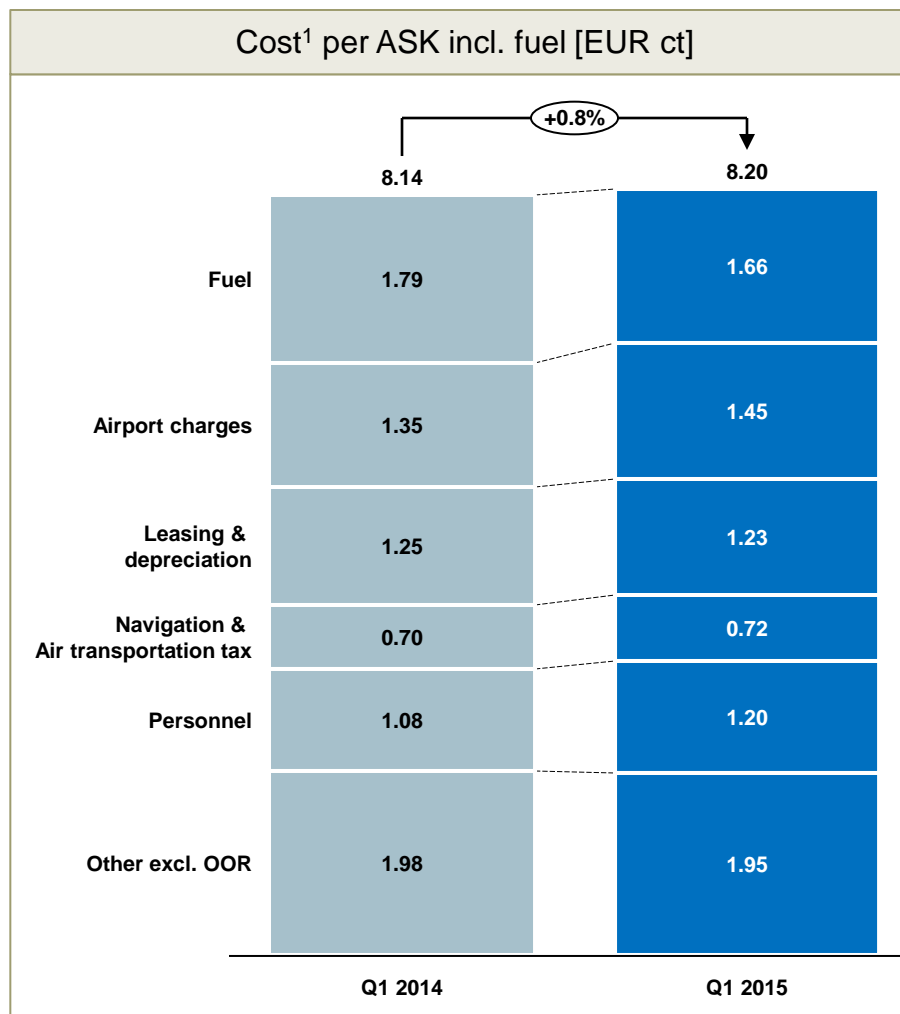
Remarks

- Continuous improvements and capacity adjustments results in overall capacity reduction
- Higher load factor could be achieved in the market by also improved yield development

Stronger revenue performance in Q1 2015 slightly offset by weaker cost development



- Remarks
- Successful network and revenue management improvements lead to a R/ASK increase.
 - C/ASK remains nearly constant as increase in personnel expenses and airport charges could be almost offset by lower fuel costs
 - Personnel costs have risen by a direct employee takeover from NIKI, tariff developments and non-recurring expenses
 - Higher airport charges caused by non-controllable cost development



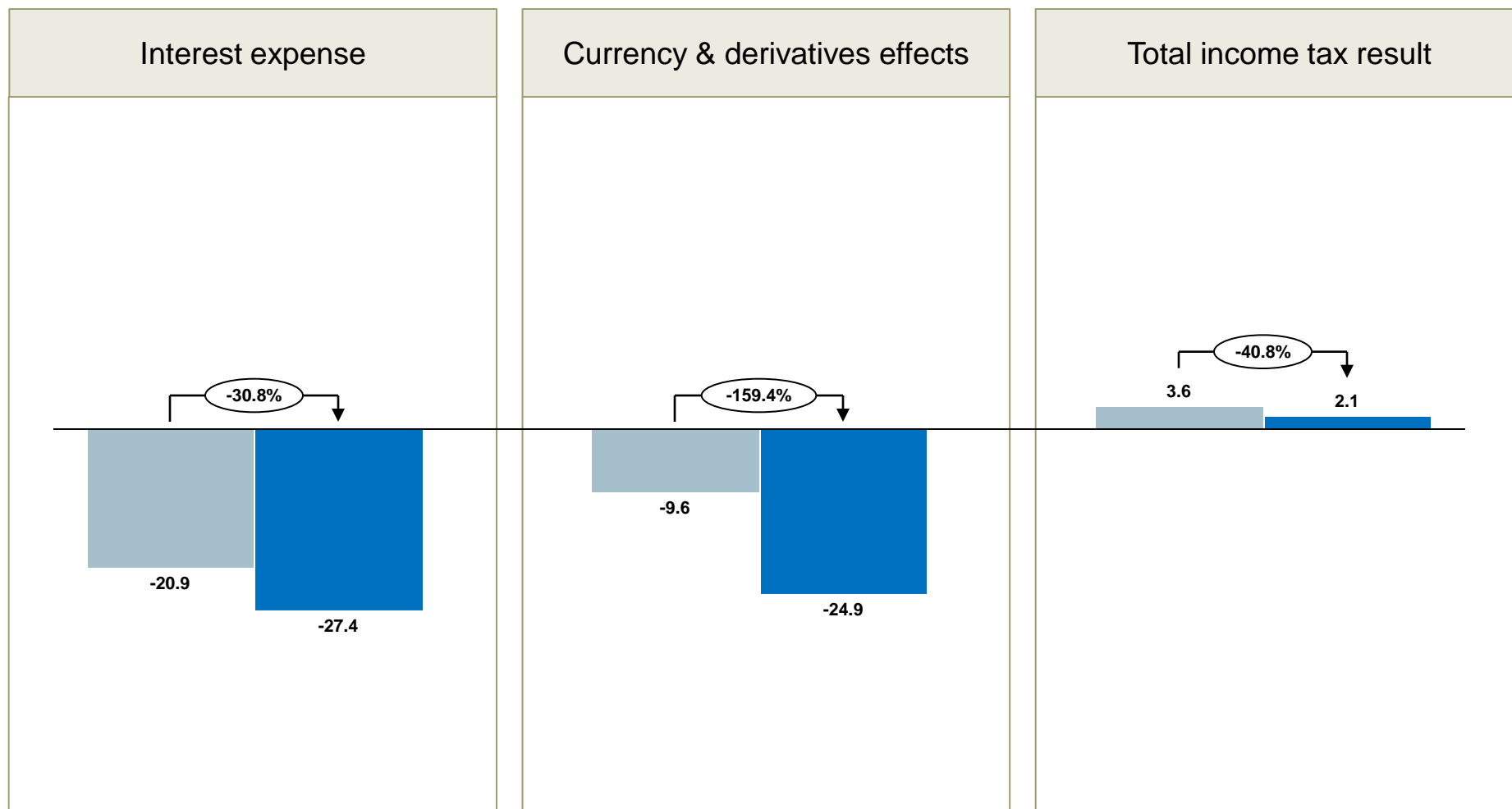
(1) Cost on EBIT level excluding other operating result

Financial result and income tax development – Q1 2015 vs Q1 2014

Breakdown of financial result [EURm]

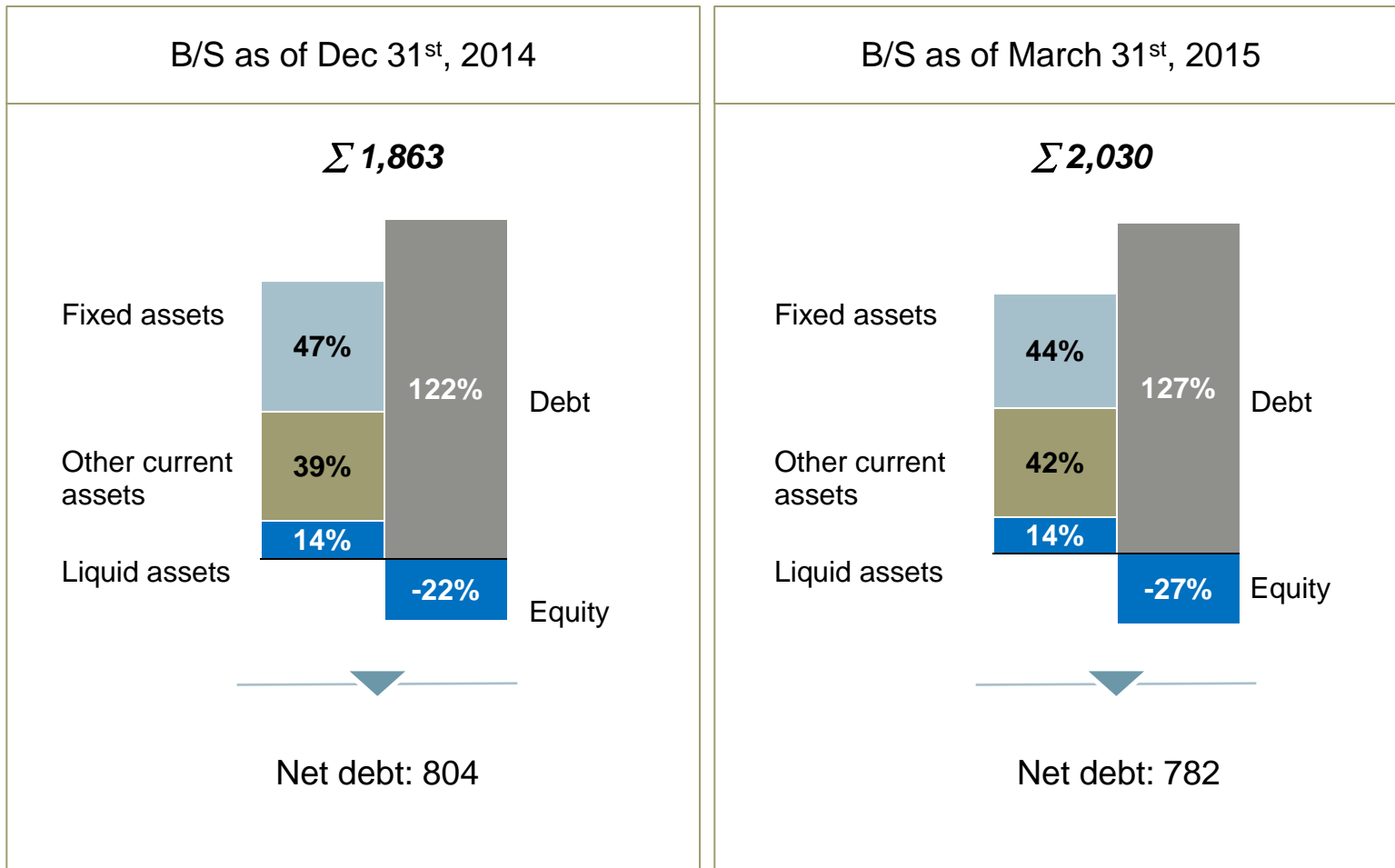
■ Q1 2014

■ Q1 2015



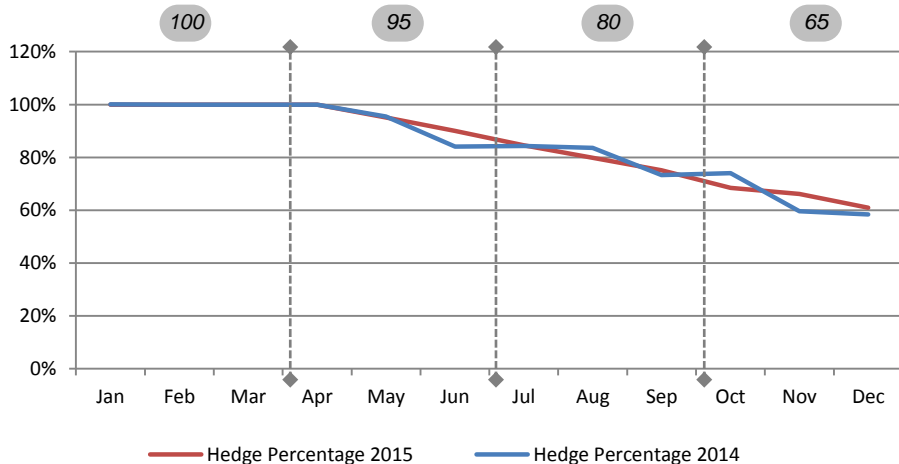
Consolidated balance sheet

EUR m

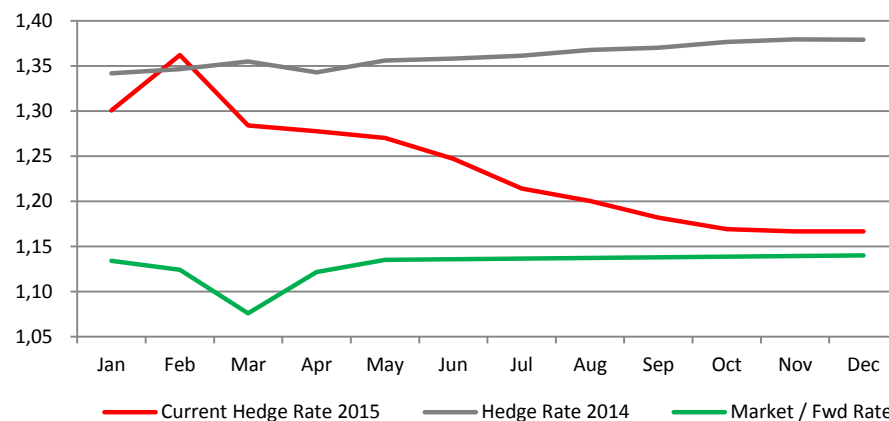


Hedging status

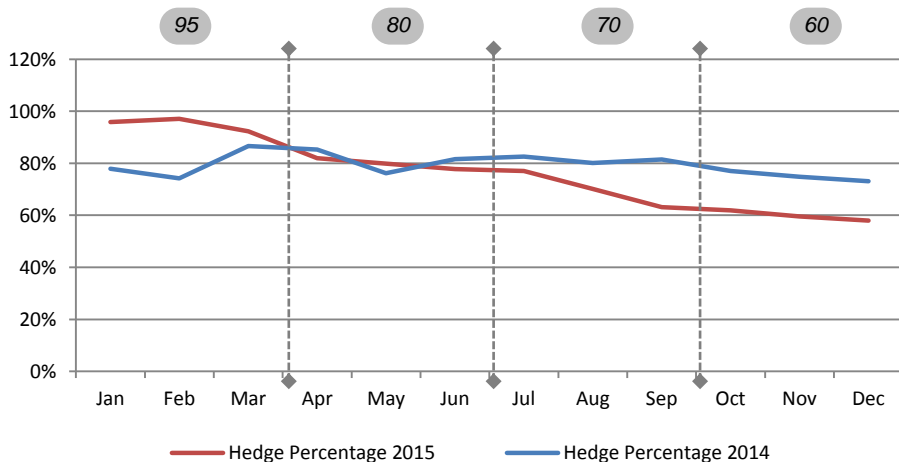
Hedging profile [%] ¹⁾



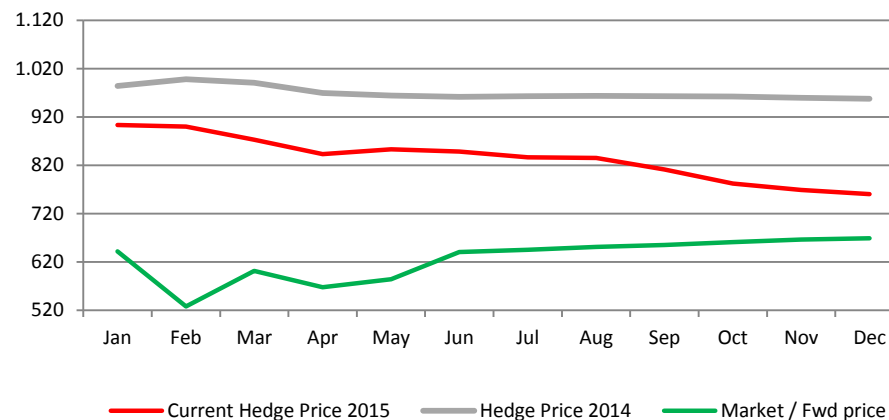
FX rate development [EUR/USD] ¹⁾



FUEL



Price development [USD/t] ^{1), 2)}



¹⁾ as of 07 May 2015 resp. 02 May 2014, ²⁾ excl. differentials



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group



Questions and Answers

