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Analysts and Investors conference call

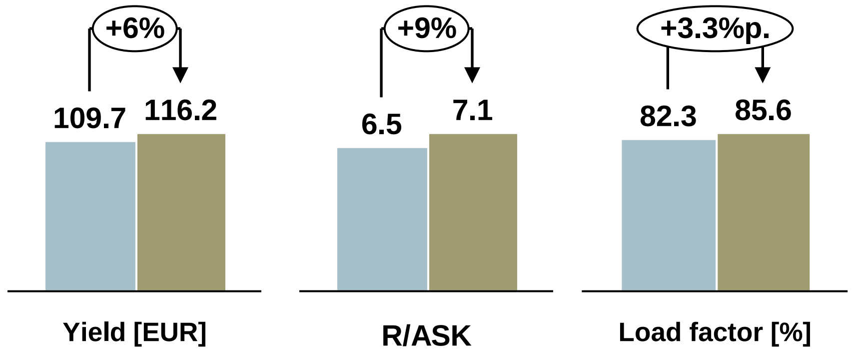
Q1 2013 results

15 May 2013

Management summary

Key messages of Q1 2013

- Q1 2013 operational KPIs are in line with expectations, with better yield, revenue per ASK and load factor performance

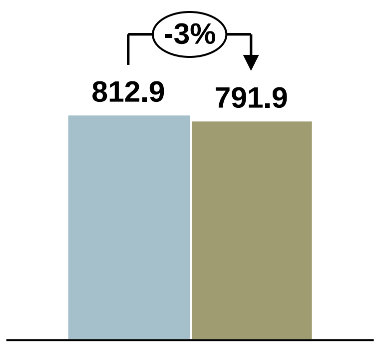


- However, due to non-recurring effects in Q1 2012, EBIT came out below previous year's level
- Taking into account charges relating to the introduction of the turnaround program and other extraordinary items, EBIT is on previous year's level
- Turbine is making good progress and expectations for the year end being confirmed by the Management Board
- Following the issuance of the convertible, cash rose 43% to EUR 470m after EUR 328m at the end of the 2012 financial year
- Equity turned negative due to the typical seasonally weak results, turnaround charges and other extra-ordinary items, however will turn positive by the end of the year
- Equity as of the reporting date according to IFRS represents a snapshot – it has no effect on operations of the airberlin group

Financial Performance [EURm] – Q1 2013 compared to Q1 2012

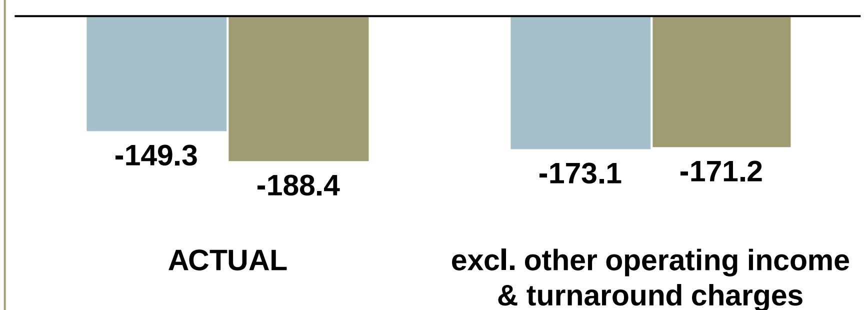
Revenue

- Despite 11% decline in available seat kilometers, revenue only declined by 3% due to better yield and load performance



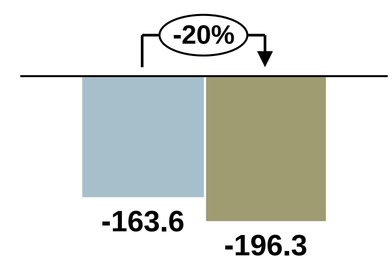
EBIT

- EBIT in Q1 2013 was EUR –188.4m after EUR –149.3m
- Taking into account the non-recurring effects from asset sales in Q1 2012, EBIT would have been EUR –173.1m
- Taking into account non-recurring effects in Q1 2013, turnaround charges and other extraordinary items such as the strike of security personnel at several airports, EBIT in Q1 2013 was –171.2m
- Thus, adjusted EBIT came in on previous year's level



Net result

- Due to weaker non-cash financial result, net result is weaker than previous year

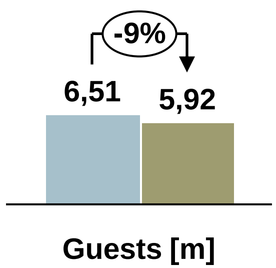


Q1/12 Q1/13

Key performance indicators – Q1 2013

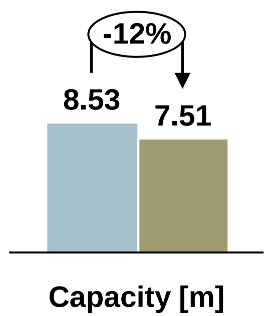
Operational development Q1 2013 vs. Q1 2012

Guests



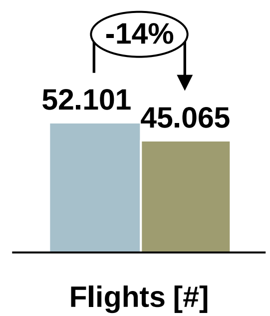
- Number of guests reduced, however less than capacity

Capacity



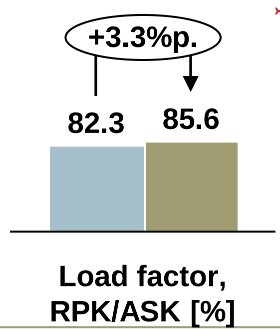
- Capacity has been significantly reduced due to cancellation of routes

Number of flights



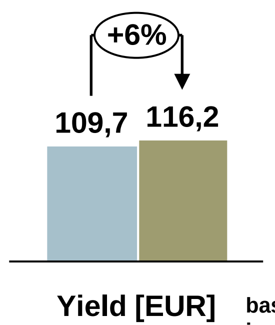
- In line with capacity reduction

Load factor



- Improvement of load factor coming from good intercontinental performance

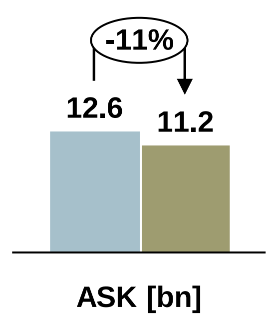
Yield



based on IFRS flight revenue including a/p tax revenue

- Good yield development

ASK

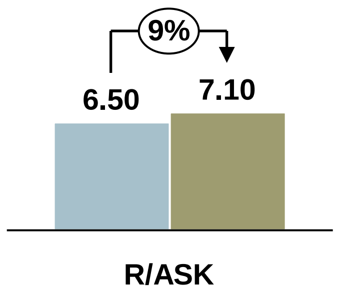


- Reduction in available seat kilometers due to cancellation of routes

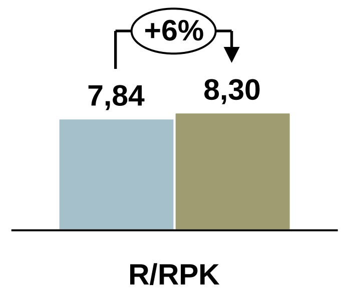
Q1/12 Q1/13

Development Revenue and Cost per ASK Q1 2013 vs. Q1 2012

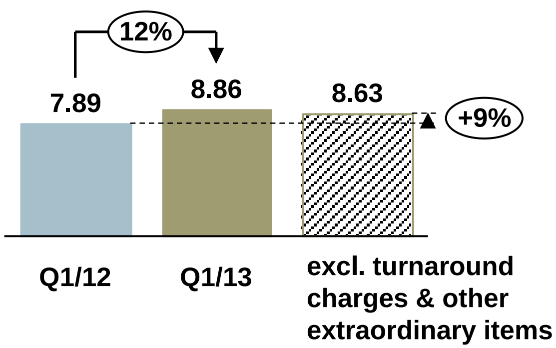
Revenue [1] per ASK [EUR ct]



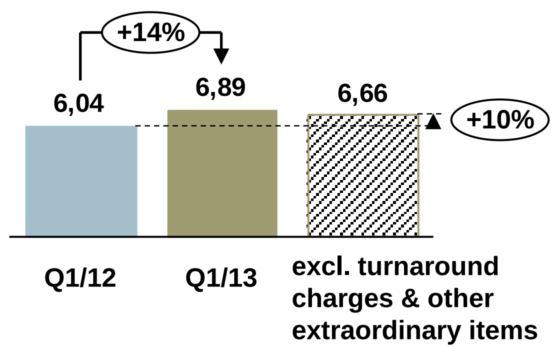
Revenue per RPK [EUR ct]



Cost [2] per ASK [EUR ct]



CASK including fuel



CASK exluding fuel

COMMENT

- Revenue per ASK is showing with an increase of 9% good performance as well as revenue per RPK which increased by 6%
- Cost per ASK incl. fuel on EBIT level rose by 12%
- Taking into account turnaround charges and extraordinary items, which amount to EUR 25m, cost per ASK incl. fuel grew by 9%

1) Total revenue 2) Cost on EBIT level excluding other operating result

Development of expenses

	Q1 2012	Q1 2013	Δ Q1/12 vs Q1/13	
	[EURm]	[EURm]	[EURm]	[%]
Expenses for materials and services	**-701.3**	**-681.2**	**20.1**	**2.9%**
Fuel	-230.7	-220.0	10.7	4.7%
A/P and handling charges	-179.7	-171.3	8.5	4.7%
Operating leases	-137.8	-138.3	-0.5	-0.4%
Navigation	-53.5	-49.0	4.5	8.4%
Air transportation tax	-34.2	-30.5	3.7	10.7%
Catering costs	-28.0	-26.3	1.7	6.1%
Other	-37.3	-45.8	-8.5	-22.8%
Personnel expenses	**-119.7**	**-122.5**	**-2.8**	**-2.3%**
Other operation expenses	**-146.3**	**-165.7**	**-19.4**	**-13.3%**
Technical cost	-50.7	-59.0	-8.3	-16.4%
IT	-20.6	-22.6	-2.0	-9.7%
Advertising	-19.5	-14.0	5.5	28.2%
Commission	-6.1	-8.0	-1.9	-31.1%
Insurance	-4.8	-5.0	-0.2	-4.2%
Other	-44.6	-57.1	-12.5	-28.0%
TOTAL OPERATING EXPENSES	**-967.3**	**-969.4**	**-2.1**	**-0.2%**

Comments

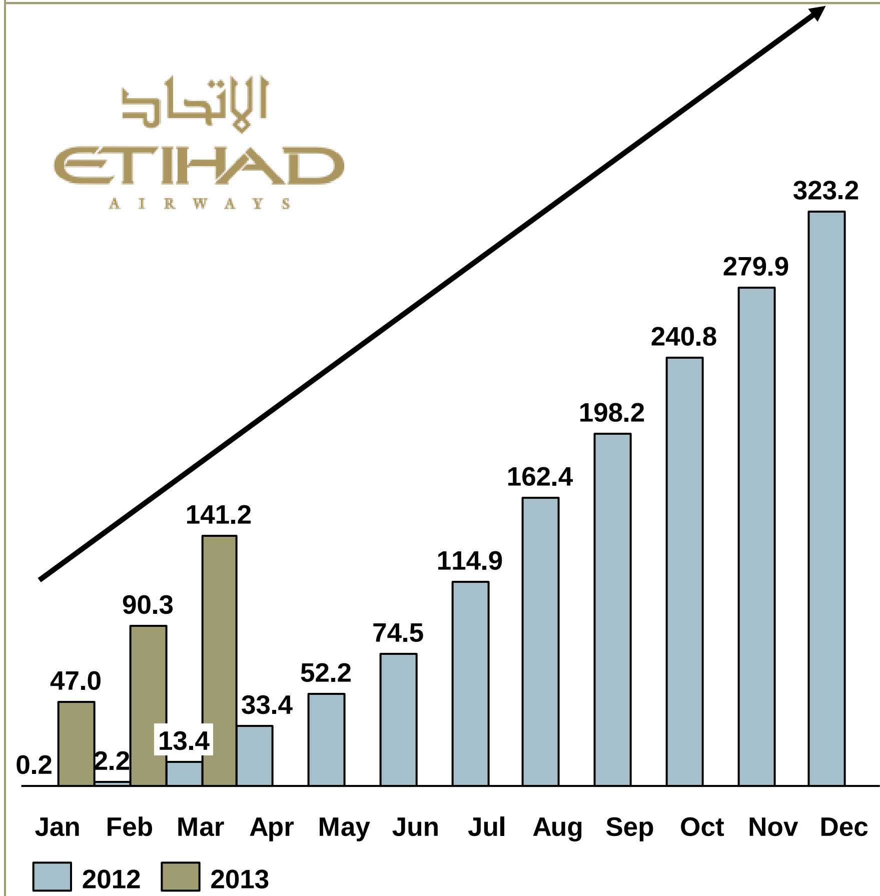
- Certain direct operating cost (e.g. fuel, handling charges, navigation etc.) are in line with production and market price development
- Other expenses (e.g. operating leases, technical cost, personnel etc.) are in progress of adjustment to lower production levels. Hence they have not been reduced yet but will do so in the course of the year

Strategic partnership with Etihad Airways continues to grow impressively – the development promises to significantly exceed 2012

Codeshare performance Etihad Airways

- Etihad Airways is codeshare partner No.1 for airberlin
- Portfolio of nearly 100 codeshare routes
- Further extensions intended, implementation upon approval of traffic rights
- Utilization of growing opportunities resulting from hub improvement (i.e. Vietnam)
- Adding codeshare agreements with more Etihad Airways partner airlines in 2013 (i.e. Virgin Australia, JAT)

Common Guests development 2012 – Q1 2013 [´000]



oneworld® presents further opportunities for growth by providing airberlin with access to new destinations and additional passengers

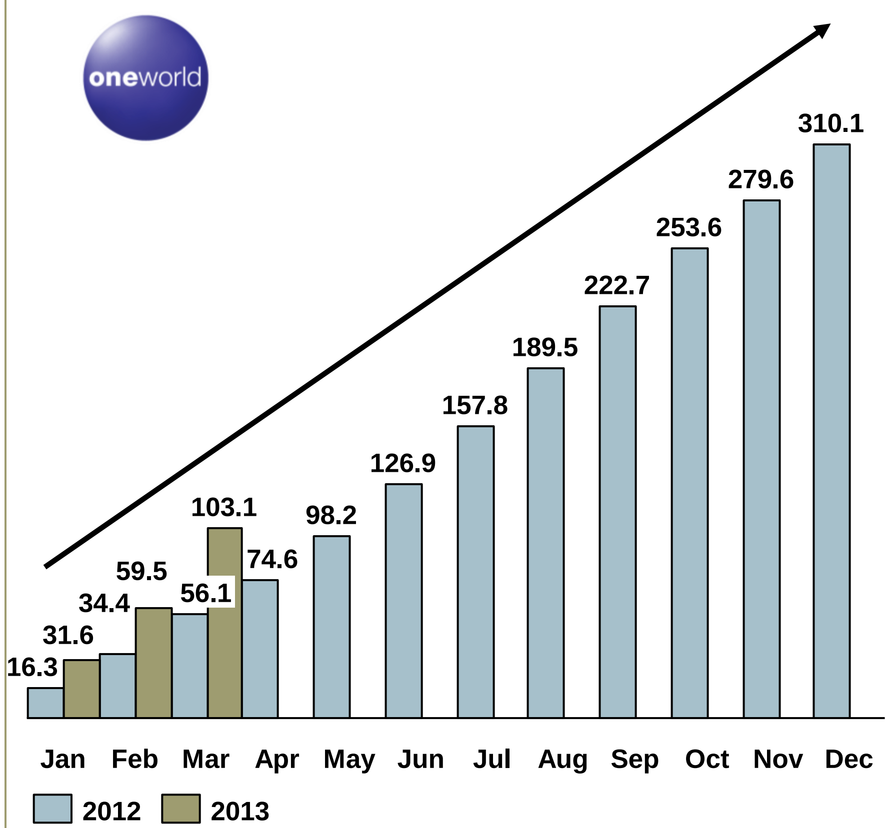
Codeshare performance oneworld

- More than 300,000 guests on joint codeshare routes in 2012
- Extended codeshare network with **one**world partners cause strong increase of booking intakes – demand exceeded 100,000 already in first quarter
- Alliance of service-orientated quality airlines
- Highest quality and safety standards

News: American Airlines

- Expansion of cooperation, now including AA's hub in Chicago
- Planned merger with US Airways prospectively increases the route portfolio

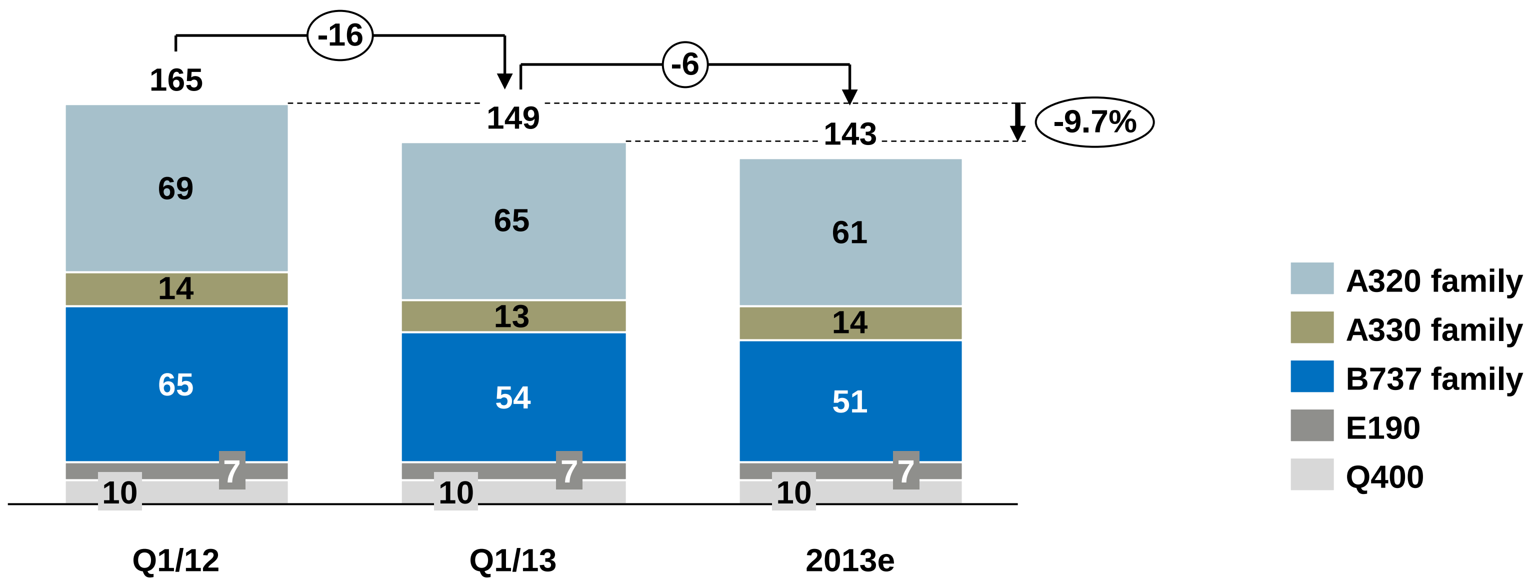
Common Guests development 2012 – Q1 2013 [´000]



Fleet development

Number of aircraft

Total number of aircraft



What we are doing to fix our core business…

Turbine combines internal structural changes and negotiations with major stakeholders

1 Lean & smart

Internal: highly efficient organisation & processes | **External: highly regarded by customer**

LEAN		SMART
Optimise operations Efficient structures and workflows Cost reduction	a Network & Fleet b Commercial c Product / Service d Operation	Focus on key markets Touristic and business segments Customer needs Brand values

2 Stakeholder negotiations

Bring major stakeholder relationships in line with market best practice

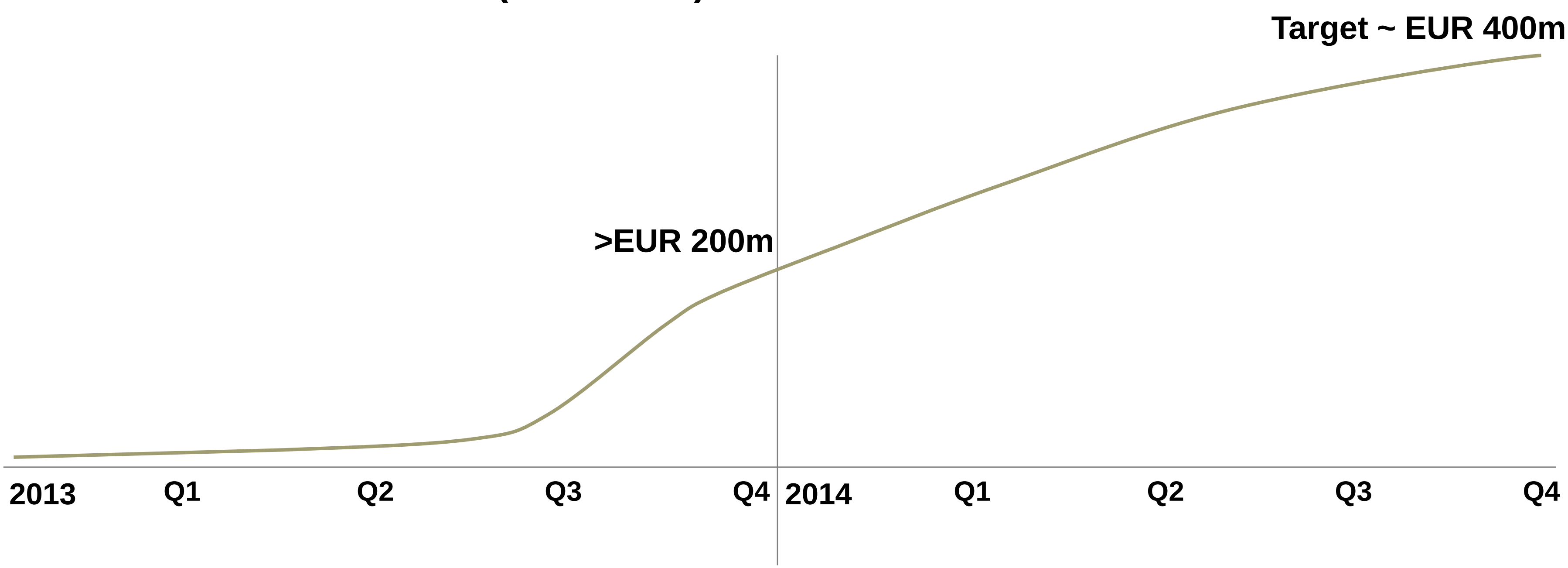
Airport & ground handling	Labour and overhead	Wet lease providers
Lessors & OEMs	TOP & distributors	Maintenance suppliers

Turbine progress: On track

1	Area	Activities
Lean & smart	**Organisation effectiveness**	New airport operations, integrated network and revenue management organisations
		Integrated customer service entities and partial outsourcing
	Human resources	Headcount reduction of ~250 FTEs until end of May
		Executive functions reduced by ~40 FTEs, pay cuts implemented
	Commercial / Ancillaries	New distribution strategy focused on revenue quality
		New ancillary revenue initiatives underway
		Improved sales intelligence systems
	Network & Fleet	Improved summer schedule
		Optimised winter schedule being developed
	Operations	New boarding procedure / baggage policy agreed; roll-out to begin in June together with SLAs
2 Stakeholder negotiations	**Lessors**	Final round of negotiations with majority of stakeholders
	Labour	Ongoing negotiations with pilot, cabin crew and ABT unions
	Other stakeholders	Ongoing negotiations with key third party providers (e.g., top 15 airports, top 4 catering providers, main wet lease and maintenance providers, etc.)

Turbine: Timeline for achieving financial targets

Cumulative benefit 2013/14 (Illustrative)

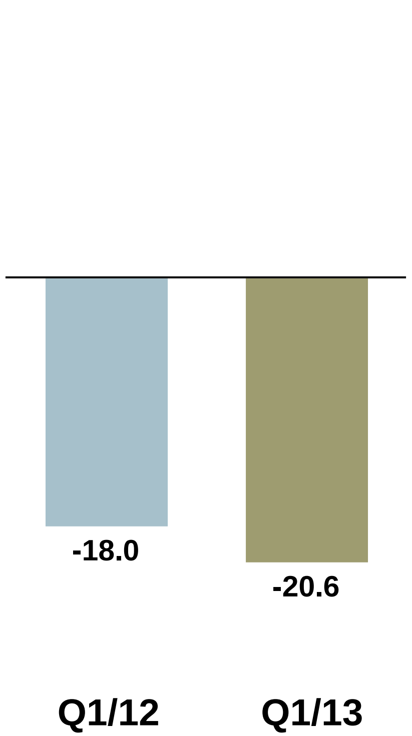


- Effects of >EUR 200m on EBIT level targeted in 2013
- Majority of effects in 2013 ramp up from **Q3** onwards
- **Q1/Q2** with over proportional fix costs, i.e. aircraft, aircraft redeliveries, personnel etc.
- Program will deliver ~EUR 400m on EBIT level compared to 2012
- Realisation of network effects full on track

Financial result and income tax development – Q1 2013 [EUR m]

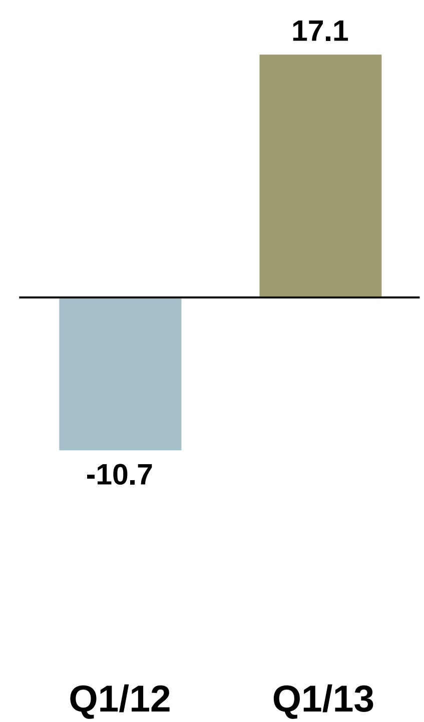
Breakdown of financial result

Net interest result



Currency & derivatives effects

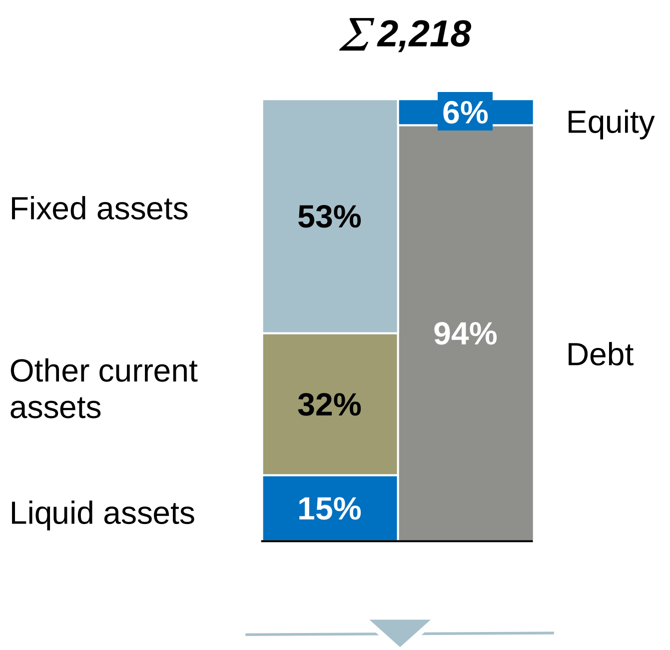
Total income tax effect



Balance sheet structure

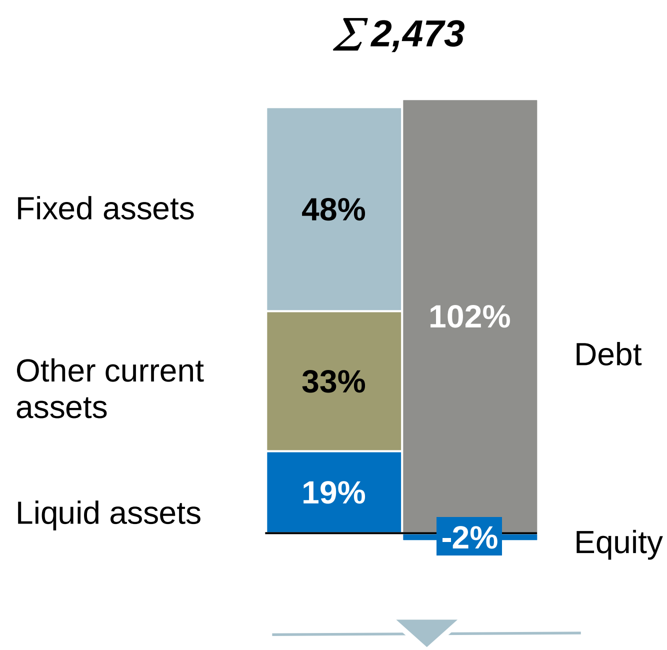
[EUR m]

B/S as of Dec 31, 2012



Net debt: 770

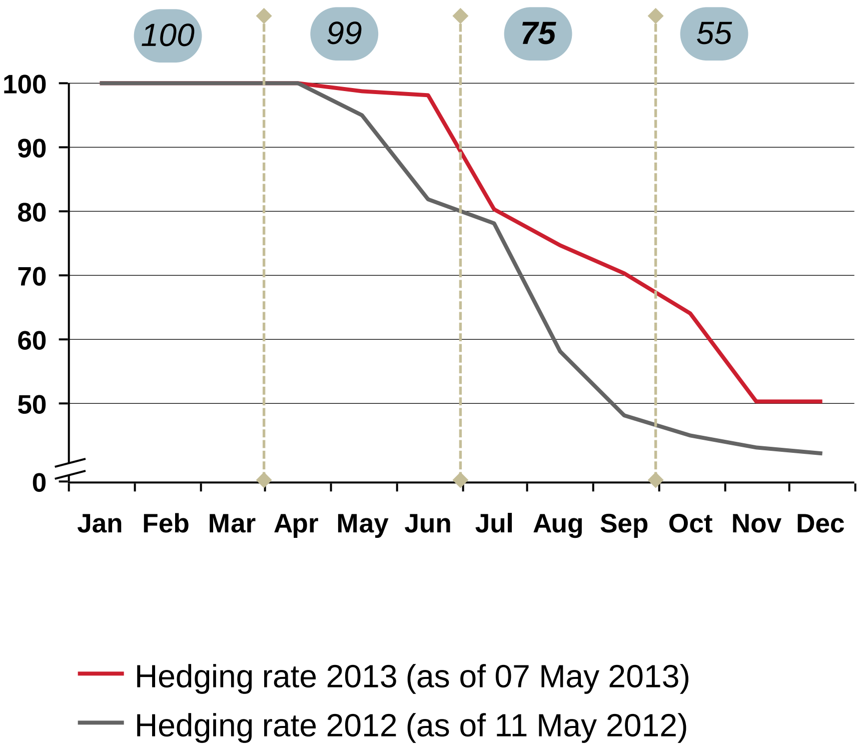
B/S as of Mar 31, 2013



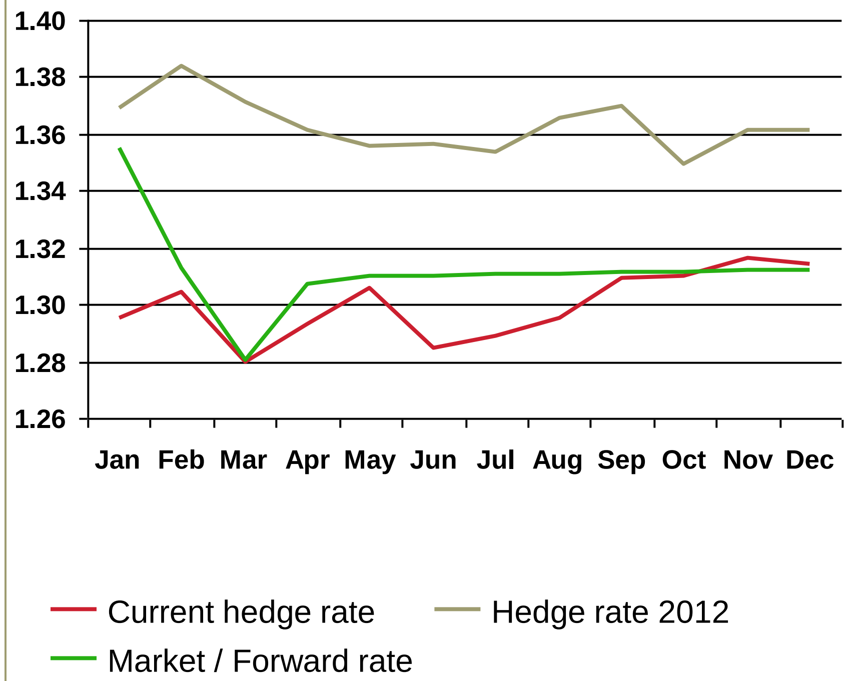
Net debt: 728

Dollar hedging

Hedging profile [%]



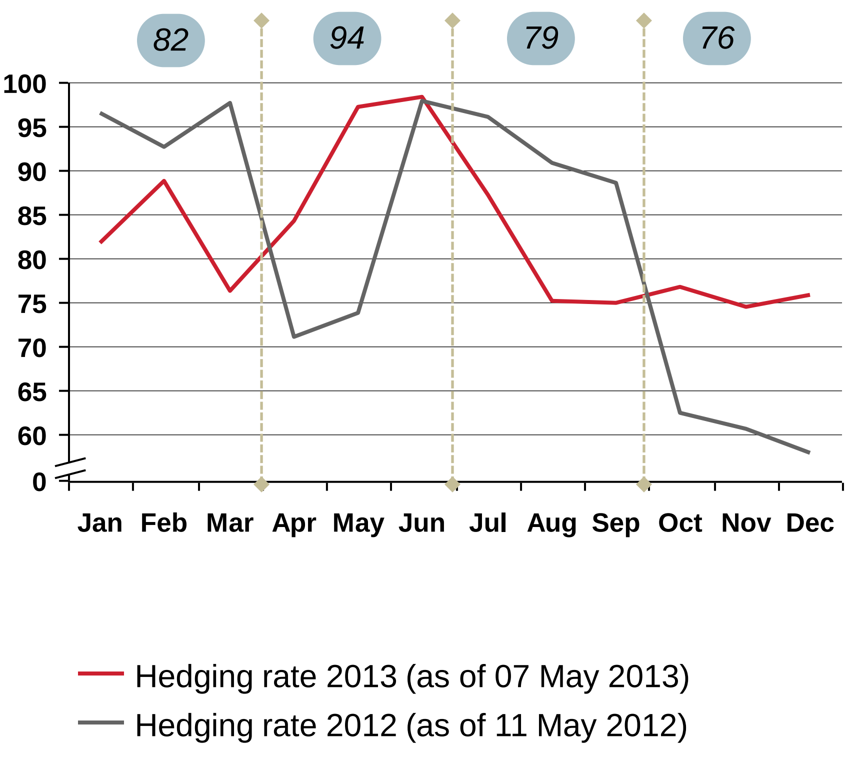
FX rate development [USD/EUR][1)]



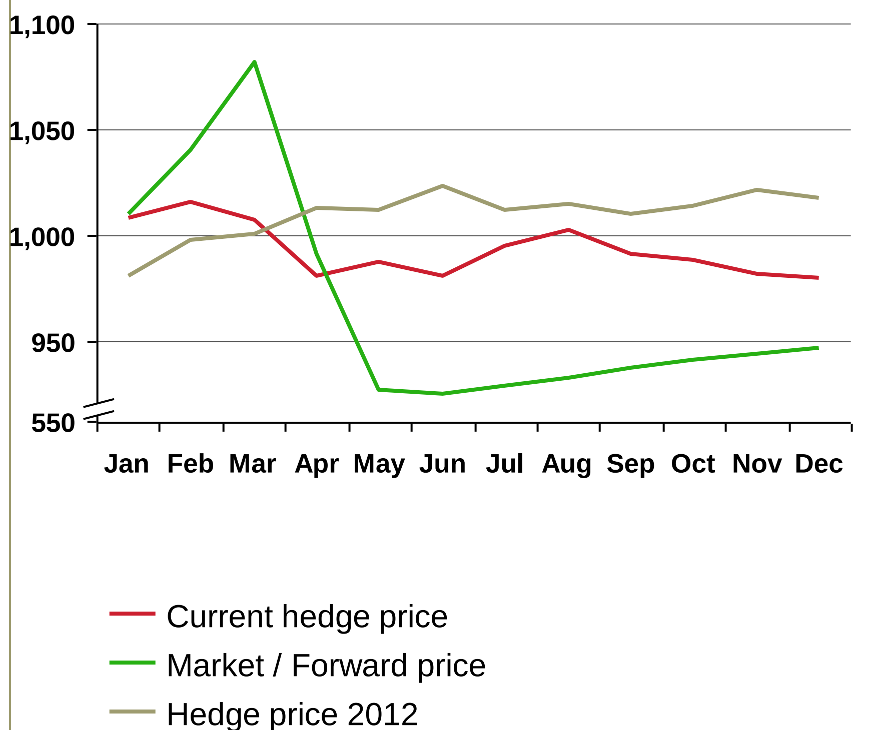
1) as of 07 May 2013 / 11 May 2012

Fuel hedging

Hedging profile [%]



Price development [USD/t] 1)



1) as of 07 May 2013 / 11 May 2012; excl. differentials

Guidance for 2013

Operational performance

Capacity

- Increase in long haul
- Decrease in short and medium haul

Capacity utilization and income

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

Result

Revenue

- Growth in revenue through yield and load factor expected – despite capacity reduction

Expenses

- Cost per ASK excl. fuel will decrease in the course of the year
- Structural cost increases will be offset through Turbine

Result

- Operational profitability

Balance sheet

Balance sheet

- Liquidity improved through the issued convertible bond and good booking intakes
- Equity ratio target of 15-20% by mid term
- Deleveraging is the key objective for 2013; initiatives are on the way
- Net debt target remains to be around EUR 500 m by the end of 2013

Target: operational profitability