FINNAIR GROUP INTERIM REPORT JANUARY 1 – MARCH 31, 2011

Turnover up 10.8%, operating result down due to higher fuel prices and the disaster in Japan

Key figures

		Q1 2011	Q1 2010	Change %
Turnover and result				
Turnover	EUR million	533,7	481,5	10,8
Operational result, EBIT	EUR million	-43,1	-26,3	63,9
Operational result, EBIT % turnover	%	-8,1	-5,5	
Operating result, EBIT	EUR million	-43,1	-25,9	66,4
EBITDAR	EUR million	3,6	20,0	-82,0
Result before taxes	EUR million	-46,2	-29,4	57,1
Balance sheet and cash flow				
Equity ratio	%	34,7	34,6	
Gearing	%	30,0	30,2	
Adjusted gearing	%	80,6	91,9	
Capital expenditure, CAPEX	EUR million	30,9	68,7	-55,0
Share				
Share price at end of quarter	EUR	3,84	4,35	-11,7
Earnings per share	EUR	-0,28	-0,19	47,4
Traffic data, unit costs and revenue				
Passengers	1,000	1 885	1 839	2,5
Available seat kilometres, ASK	million	7 353	6 560	12,1
Revenue passenger kilometres, RPK	million	5 339	5 251	1,7
Passenger load factor, PLF	%	72,6	80,0	
Unit revenue per available seat kilometre, RASK	cents/ASK	5,54	5,61	-1,3
Unit revenue per revenue passenger kilometre, yield	cents/RPK	6,78	6,30	7,6
Unit cost per available seat kilometre, CASK	cents/ASK	6,38	6,39	-0,1
CASK excluding fuel	cents/ASK	4,69	4,82	-2,5
Available tonne kilometres, ATK	million	1 133	940	20,5
Revenue tonne kilometres, RTK	million	688	618	11,4
Cargo and mail	tonnes	34 447	24 958	38,0
Cargo traffic revenue per available tonne kilometre	cents/RTK	26,29	23,61	11,3
Overall load factor	%	60,7	65,7	
Flights		20 530	19 267	6,6
Personnel				
Average number of employees		7 470	7 681	-2,7

CEO Mika Vehviläinen on Q1:

Finnair air traffic volume grew significantly, particularly on Asian and North American long-haul flights. There is once again overcapacity in the industry, as our competitors, like Finnair, prepare for expected growth in traffic. Our overall load factor was therefore significantly lower than in Q1 in 2010.

Our cost burden increased sharply due to a substantial and rapid rise in oil prices, although we have otherwise succeeded in cost control fairly well. In the current demand situation, we have not been able to transfer the fuel price increase as such into flight ticket prices despite the positive yield development.

The devastating disaster in Japan in March had a negative impact on our result, as travel to the country fell dramatically. Finnair has, however, continued daily flights to Japan, which we believe will benefit us in the long term.

We have determinedly continued to implement our Asian strategy and we are currently preparing for the opening of our new route to Singapore. Alongside the development of long-haul traffic, we are working to improve the cost-efficiency of feeder traffic.

We have to work hard to turn the growth enabled by our strategy into profitability. This will require the continuous enhancement of our operations, the development of our route network and strategy and the re-evaluation of structural solutions in the Finnair Group.

Our operations will be enhanced, for example, by investing in process and automation development and by cutting overlapping activities. In feeder traffic, our goal is to improve profitability through, among other things, partnership arrangements. For example, in Finncomm Airlines' partnership arrangements we are seeking a solution in which Finnair, in cooperation with its partners, would create a cost-efficient production platform for certain feeder traffic routes.

In addition, we have to determine what are our core businesses and in which areas we could benefit from alternative solutions. One such area is our Catering unit, where we plan to evaluate different further development alternatives of these operations.

Business environment and development of Finnair's flight operations

The beginning of 2011 saw a sharp rise in fuel prices and increased flight capacity. The airline industry is preparing for expected growth, which has resulted in overcapacity in the market and intense competition. Nevertheless, the price level, unit revenue per revenue passenger kilometre, improved compared with the corresponding period of the previous year. Due to the market situation, the company has not been able to transfer the oil price rise into flight ticket prices during the seasonally weak first quarter. Excluding fuel, Finnair's costs have developed according to expectations. As fuel costs account for over a fifth of total costs, however, their rise had a significant impact on the company's operating loss in the first quarter. Finnair's fuel hedging worked well in the first quarter. Finnair adheres to a conservative fuel price hedging policy and its hedging ratio in April-June is 77%.

Finnair's turnover increased by 52.2 million euros compared with the corresponding period of the previous year. Asian traffic developed particularly positively, with revenue growing 23% compared with the corresponding period last year. The company has increased its capacity in Asian traffic in line with its strategy and it is continuing to evaluate further opportunities for expansion. In May, Finnair will begin daily direct flights to Singapore, which is expected to improve the company's load factor when aircraft introduced at the turn of the year are transferred to this route.

Since mid-March, Asian traffic has been affected by the devastating disaster in Japan, as a consequence of which demand from Europe to Japan in particular has fallen significantly. Finnair has continued to operate its daily flights to Japan, however. The company expects travel to Japan to recover longer term when reconstruction gets fully under way. Reconstruction is expected to have a positive impact, particularly on business travel to Japan.

Finnair's profitability deteriorated and its operating result was a loss of 43.1 million euros, compared with a loss of 26.3 million euros in the corresponding period last year. The company has continued efficiency measures, as a result of which operating costs, excluding fuel, remained on the target level and were 448.0 million euros, compared with 405.8 million euros in the corresponding period last year. Unit costs, excluding fuel, fell by 2.5% compared with the previous year.

In January 2011, employee consultations were initiated in the Finnair Technical Services companies, with the objective of reducing personnel by 450 people. The first-quarter results include a non-recurring personnel expense item of 18.4 million euros for the restructuring of Technical Services.

While Finnair's focus is on Asia-Europe traffic, the company is striving to develop alternative production platforms for European and domestic feeder traffic to reduce unit costs and increase flexibility. In the second quarter of the year, Finnair aims to finalise Finncomm Airlines' negotiations in cooperation with an industrial partner. To improve the cost-efficiency of the company's own feeder traffic, the cabin configurations of the Airbus A32S fleet (incl. A319 and A320 aircraft) will be retrofitted. This modification work will begin in the second quarter of 2011. The retrofitted configurations will reduce unit costs and bring increased capacity while maintaining passenger comfort. In addition, the company will strive to further improve the utilisation efficiency of its narrow-body fleet through cross-utilisation of resources in scheduled and leisure traffic.

Cargo demand continued to develop positively, and Finnair Cargo's turnover grew 57% compared with the corresponding period last year. In March, Finnair and Neff Capital Management LLC announced their intention to establish a cargo traffic joint venture, Nordic Global Airlines Ltd (NGA), which will begin cargo traffic with MD11 aircraft after the necessary licences have been obtained.

The Group has a number of process development activities under way to improve cost-efficiency. With respect to the lowering of unit costs, purchasing activity is one of the key development areas. A new head of purchasing will start in his position in the second quarter.

The company has continued the identity renewal announced in the final quarter of 2010. One of its key areas is the renewal of service identity, practical measures towards which were begun in the first quarter of 2011 and were well received. Finnair's goal is to create added value through customer service and thereby achieve a competitive advantage over its key competitors. To achieve this ambitious goal, the company will implement a substantial service training programme during 2011.

Key Factors and Risks

Finnair's results are mainly affected by, in addition to operational activity, the development of the market price of oil, because fuel purchases are one of the largest cost items alongside personnel costs, accounting for over 20% of total costs. The result is also affected by exchange-rate fluctuations of the US dollar and the Japanese yen. Due to strong Japanese business, the yen is a significant revenue currency for Finnair, and fuel costs, on the other hand, are linked to the dollar.

Finnair operations are associated with a number of strategic, economic and operational risks, and these have been comprehensively outlined in the 2010 Annual Review and consolidated financial statements http://www.finnairgroup.com/investors/investors_9.html

Due to the short booking horizon in passenger and cargo traffic, long-term forecasting is difficult. The situation in Japan will continue to adversely affect turnover in the second quarter and it is difficult to forecast when demand will return to pre-earthquake levels and continue its earlier positive trend.

In March 2011, Finnair became one of the first airlines to deliver to the authorities certified Tonne kilometer and emissions reports for 2010. The company has prepared for emissions trading, but preparations have been adversely affected by the fact that the proportion of emissions rights to be allocated free to individual airlines will not be known until autumn 2011 at the earliest.

Moreover, passing on emissions trading costs into prices will be difficult as emissions trading will not apply to all international airlines equally, which will distort competition. This results from EU's unilateral commitment to emissions trading.

Outlook for 2011

Finnair expects that the second-quarter result will be negative.

Therefore the company continues to expect that it will be unable to achieve a positive result in 2011 unless there is a substantial improvement towards the end of the year in the oil price trend and in the situation in Japan. At the same time, the company expects that the results of the second half of the year will be positive.

Finnair continues to expect that its turnover will grow by more than 10% in the full year.

Finnair will continue measures aimed at restoring operational profitability and will explore new means of increasing cost-efficiency.

Financial Result, January 1 – March 31, 2011

In January-March, the Finnair Group's turnover was 533.7 million euros (481.5 in the corresponding period the previous year), which is 10.8% higher than the previous year. The Group's operational result, i.e. EBIT excluding non-recurring items, capital gains and changes in the fair value of derivatives and maintenance currency changes, was a loss of 43.1 million euros (26.3 loss). The result before taxes was a loss of 46.2 million euros (29.4 loss).

Changes in the fair value of derivatives had a 14.4 million euro positive effect on the result reported for the first three months. The corresponding item in the previous year had a positive effect on the result of 0.4 million euros.

A weakening of the US dollar in relation to the euro is positive for Finnair, but owing to a high degree of hedging the impact on the operational result in first quarter was not significant. At the end of March, the degree of hedging for a dollar basket over the following 12 months was 68%.

In the first quarter, euro-denominated operating costs were 580.8 million euros (511.1). Fuel costs, including price hedging, rose by 26.1%. The company's personnel costs were 116.8 million euros (111.9). Fleet material purchases, maintenance costs and depreciation totalled 60.2 million euros (56.0). The company's result included an 18.4 million euro non-recurring personnel expense item for the restructuring of the Technical Services unit.

Net cash flow from operating activities in the review period was -38.0 million euros (-17.9).

Return on capital employed (ROCE) for the last 12 months was -1.5% (-8.3) and return on equity was -4.2% (-13.4). Earnings per share in January-March were -0.28 euros (-0.19).

Balance Sheet

The Group's balance sheet total at the end of March was 2,481.4 million euros (2,438.2). At the end of the reporting period, shareholders' equity totalled 849.6 million euros (832.1). Equity attributable to owners of the parent on March 31 was 849.0 million euros (831.2), i.e. 6.65 euros per share.

Shareholders' equity includes a fair value fund related to hedge accounting, the value of which is affected by changes in the oil price and foreign exchange rates. The size of the item on the closing date was 65.6 million euros, after deferred taxes, and it includes foreign exchange and fuel derivatives as well as, to lesser degree, other items (1.8).

A change in value of Norwegian Air Shuttle ASA shares in January-March had a negative impact on Finnair's shareholders' equity of around 1.6 million euros after deferred taxes. Finnair owns around 5% of Norwegian's shares.

Cash flow and Financing

Net cash flow from operating activities in January-March was -38.0 million euros (-17.9). Cash flow before financing activities was 31.7 million euros (179.2). Financial expenses in the first quarter totalled 6.3 million euros (6.0) and financial income 3.1 million euros (2.5).

Advance payments related to fixed asset investments were 31.4 million euros (51.4). On March 31, interest-bearing debt was 742.6 million euros (774.6). The equity ratio was 34.7% (34.6) gearing 30.0% (30.2). Adjusted gearing was 80.6% (91.9).

The Group's liquidity remained good. The Group has an option for a loan-back of employment pension fund reserves amounting to 380 million euros. The use of this option requires bank security. In addition, Finnair renewed in June 2010 for three years a 2010 million euro syndicated credit facility, intended as reserve financing, which has not been used to date. Financial flexibility is also achieved through a 200 million euro short-term commercial paper programme, which at the closing date was completely unused.

Capital expenditure

In January-March, the Finnair Group's total investment, excluding advance payments, totalled 30.9 million euros (68.7). Total investment in 2011 is expected to be around 70 million euros. Fleet investments account for around 23 million euros (27.5) of total investment.

Fleet

The Finnair Group's fleet is managed by Finnair Aircraft Finance, a wholly-owned subsidiary of Finnair Plc. At the end of March, the Finnair Group had a total of 65 aircraft in flight operations. The average age of Finnair's entire fleet is just over seven years.

In the first quarter, a second Airbus A340 wide-bodied aircraft from Air France joined the Finnair fleet. The first aircraft was received at the beginning of December 2010 and it entered service at the end of the year. The narrow-bodied fleet was supplemented by one Embraer 190 aircraft. In addition, one MD11 and one Embraer 170 aircraft were sold during the review period. One Embraer E190 aircraft will be received during the second quarter. No aircraft deliveries are planned for the latter part of the year.

Business Area Development

The segment reporting of the Finnair Group's financial statements is based on business areas. The reporting business areas are Airline Business, Aviation Services and Travel Services.

Airline Business

This business area is responsible for scheduled passenger and charter traffic as well as cargo sales, customer service and service concepts, flight operations and activity connected with the procurement and financing of aircraft. The Airline Business segment comprises the Sales & Marketing, Operations, Customer Service and Resources Management functions as well as the subsidiaries Finnair Cargo Oy, Finnair Cargo Terminal Operations Oy, Finnair Aircraft Finance Oy and Finnair Flight Academy Oy.

Key figures

		Q1 2011	Q1 2010	Change %
Turnover and result				
Turnover	EUR million	452.3	403.2	12.2
Operational result, % turnover	%	-9.7	-6.1	
Operational result, EBIT	EUR million	-43.9	-24.6	78.5
Personnel				
Average number of employees		3 505	3 600	-2.6

Passenger traffic

The average price weighted by passenger kilometres flown (RPK) rose in the first quarter by slightly over 8%. Development was positive in all types of traffic. The fastest growth was in Asia.

Total capacity grew more than demand in the key market areas during the first quarter, which adversely affected Finnair's load factor. Load factors for Asian passenger traffic in March were also adversely affected by the natural disaster in Japan and its after-effects. The first-quarter passenger load factor fell by eight percentage points.

Despite the rise in average price, poorer load factors led to a 1.3% fall in unit revenue per available seat kilometre (RASK).

Corporate sales developed favourably in the first quarter, growing by 19% compared with the corresponding quarter the previous year. Growth was mainly in sales outside of Finland which grew by 43%. Corporate sales in Finland grew by 7%. Corporate sales grew most strongly in Japan, Hong Kong, Sweden, Norway and Germany. Global corporate sales accounted for 26%

of total scheduled traffic sales and grew by 2.1% compared with the corresponding period last year.

In January-March, Finnair's charter flights carried approximately 230,100 passengers, which is 8.2% less than during the corresponding period of the previous year. This was due to unrest in Egypt, Tunisia and Libya, which led to the almost complete cancellation of leisure traffic to Egypt and Tunisia at the end of the season. It was possible to redirect released capacity only partly to other destinations. The passenger load factor of charter flights fell slightly to 91.5%.

Finnair's market share increased compared with its main competitors in scheduled traffic between Asia and Europe, and its market share on operated route pairs was 5.4% (5.2). In terms of market share, Finnair is the sixth largest network airline in this market. Finnair's share in terms of flights departing from Finland is around 54%.

The arrival punctuality of flights improved from the corresponding period the previous year by nearly 10 percentage points to 80.6% (71.4).

Cargo

In cargo operations, earnings continued to develop strongly in January-March. Cargo's turnover grew by 57% in the first quarter. Nevertheless the situation in Japan, the Middle East and North Africa slowed growth in cargo demand. Cargo growth figures were positively affected by traffic growth between Europe and Asia and also by the freighter service initiated last spring. Available tonne kilometres grew by 62.4%. Sales also grew significantly, but demand in the early part of the year is seasonally lower due to the Chinese New Year. Revenue tonne kilometres grew by 42.5%.

Cargo unit revenue, excluding freighter revenue, grew by 5.5% per available tonne kilometre. The amount of cargo and mail carried grew by 38%. Overall load factor fell by 8.7%. The first quarter was weaker than expected due to the situation in Japan and the Middle East, and as a result it was not possible to fully utilise a significant increase of capacity.

The establishment of a new cargo aircraft company, Nordic Global Airlines Ltd (NGA), in which Finnair is a minority shareholder, has proceeded well in January-March. Finnair's goal is to invest in business growth areas in line with its previously announced plan and strategy.

Flight Training

Demand for flight training is growing. The Finnair Flight Academy's (FIFA) flight simulators operated at high utilisation rates in January-March. Approximately half of customers are non-Finnair airlines.

Air Traffic Services and Products

The summer season began in Finnair's flight traffic on March 27, 2011. This summer, Finnair will fly to Asia with a record number of 74 flights per week to 10 cities. Finnair offers the fastest connections in traffic between Europe and Asia, with more than 200 route pairs. A new destination, Singapore, opens in May and will be served by daily flights. In June, Finnair will add flights to its Hong Kong route. A direct service to Chicago from Helsinki will also open, when **one**world partner American Airlines starts operating on the new route at the beginning of May.

Finnair and its **one**world alliance partner, the Australian airline Qantas, began cooperation flights from Helsinki to Sydney via Bangkok in February. Cooperation flights from Helsinki to Melbourne, Brisbane, Perth, Adelaide and Sydney via Singapore will begin in May, when Finnair begins its daily service to Singapore.

The previous leisure flights to Malaga and Toronto change in the summer season to scheduled flights, and they are flown five days a week. Another leisure flight service, to Nice in France, also changes to a scheduled service, operating three times per week. In addition, Finnair opened a new direct afternoon flight to Aarhuus in Denmark in cooperation with Sun-Air. There are four flights per week to Ljubljana in Slovenia and a daily connection to Gdansk in Poland. The Polish route is operated in cooperation with Finncomm Airlines, and the intention is continue the flights during the winter season, too. There is a service to Krakow twice per week and to Venice three times per week from March 31. On April 17, the Stuttgart service grew to two daily flights instead of the earlier 10 flights per week. Lisbon is served by three scheduled flights per week from April 18. On May 13, a scheduled service of two flights per week will begin to Pisa. A service to Bergen in Norway via Arlanda will be operated with three flights per week from May 22. During the summer season, Finnair will fly three times per week from June 15 to a new destination, Murmansk in the Northern Russia.

Finnair has continued its daily flights to Japan and has transported humanitarian aid on its flights. In addition Finnair offers its customers the opportunity to donate their Finnair Plus points to the Finnish Red Cross to assist the disaster relief effort in Japan.

At the beginning of the year, Finnair launched onto the market, in cooperation with Diners Club Finland, a new kind of credit card, combining a Finnair Plus membership card and a Diners Club credit card. The link allows Finnair Plus members to accumulated points more quickly with daily purchases, thereby enabling membership benefits to be achieved more easily.

In March, Finnair launched for mobile phone users a service environment which gathers together travel-related services, guidelines and tips. The service environment can be found at the address m.finnair.com.

Aviation Services

This business area comprises aircraft maintenance services, ground handling and the Group's catering operations. In addition, most of the Group's property holdings, the procurement of office services, and the management and maintenance of properties related to the Group's operational activities also belong to the Aviation Services business area. Aviation Services' business consists mainly of intra-Group service provision. Of the business area's turnover, one quarter comes from business outside of the Group.

Key figures

		Q1 2011	Q1 2010	Change %
Turnover and result				
Turnover	EUR million	114.5	110.7	3.4
Operational result, % turnover	%	2.4	1.4	
Operational result, EBIT	EUR million	2.8	1.6	75.0
Personnel				
Average number of employees		2 646	2 679	-1.2

Catering business is the most profitable of the Aviation Services. Operations are divided into meal production and related logistics as well as travel retail functions, which include inflight sales, preorder services as well as airport shops in Helsinki, Tampere and Turku.

Catering's turnover declined from the corresponding period of the previous year by 2.6%, mainly due to changes in airline customer concepts and the refurbishment of Finnair Tax Free Shop's main outlet. An expanded Finnair Plus Tax Free Shop was opened in March 2011 in Helsinki-Vantaa Airport's Terminal 2. The operational result developed inline with the turnover decline. However, Finnair Catering managed to adjust its cost structure to the turnover decline.

Finnair Technical Services' results were close to break even in the first quarter. The Technical Services unit is undergoing a restructuring, as the company has decided to discontinue the heavily loss-making aircraft base maintenance service offered to external customers. Service provision will in future be focused on line maintenance of the company's own aircraft. Employee consultations within Finnair Technical Services were completed at the end of March. A reduction of around 450 jobs will be implemented by the end of the year. As part of the restructuring, Finnair Technical Services Oy and Finland Transval Oy have signed a letter of intent on a possible transfer of business of Finnair Technical Services' Helsinki-Vantaa warehouse services. Around 75 people work in these warehouse operations.

Northport Oy, which provides ground handling services, came close to break even in January-March.

Travel Services (tour operators and travel agencies)

This business area consists of the tour operator Aurinkomatkat-Suntours and its subsidiaries operating in Estonia and Russia, and also as the business travel agencies Matkatoimisto Area and Finland Travel Bureau (FTB) and FTB's subsidiary Estravel, which operates in the Baltic countries. Amadeus Finland produces travel sector software and solutions. Aurinkomatkat focuses on serving leisure travellers, offering customers a full range of leisure travel services in addition to package tours. The leisure travel operations of Area and FTB were merged into Aurinkomatkat in December 2010. Area and FTB are nowadays purely business travel agencies.

Key figures

		Q1 2011	Q1 2010	Change %
Turnover and result				
Turnover	EUR million	106.6	100.1	6.5
Operational result, % turnover	%	1.0	0.4	
Operational result, EBIT	EUR million	1.1	0.4	
Personnel				
Average number of employees		1 025	1 164	-11.9

Demand for winter package tours picked up after the economic downturn. Aurinkomatkat sales grew in Finland by 10% and in Russia and Estonia even more strongly. Due to unrest in the Middle East, flight series to Tunisia and Egypt were interrupted in February. Aurinkomatkat was able to arrange replacement holiday packages to some of the customers, but thousands of trips were cancelled, which adversely affected the result.

In the review period, business travel from Finland grew slightly, and in the Baltic countries significantly, compared with the previous year. Finnair's business travel agencies increased their market share. Cost-efficiency was increased by systematic work to increase the proportion of online bookings and to raise the travel agencies' degree of process automation. Travel agencies' productivity improved and the result improved significantly into profit. According to a survey conducted by the Nordic Business Travel Barometer, both Area and Finland Travel Bureau are among the best in their sector in terms of the customer satisfaction of Finnish business travellers.

Shares

Finnair's market value on the NASDAQ OMX Helsinki Stock Exchange at the end of March was 492.0 million euros (557.4) and the closing share price was 3.84 euros (4.35). During the period January-September, the highest price for the company share was 5.37 euros (4.40), while the lowest price 3.74 euros (3.61) and the average price 4.66 euros (3.98). Some 4.8 million (4.5) of the company's shares, with a value of 22.2 million euros (17.8), were traded. The number of shares recorded in Finnair's Trade Register entry was 128,136,115 at the end of the year. The Finnish State owned 55.8% (55.8) of Finnair's shares, while 15.1% (16.3) were held by foreign investors or in the name of a nominee. On March 31, Finnair held 410,187 of its own shares, representing 0.3% of the total share capital. In January-March, the company did not acquire nor dispose of any of its own shares.

Senior Management

During the first quarter 2011 Finnair announced the following changes in its management team:

- In January Gregory Kaldahl joined Finnair as Senior Vice President, Resources Management. He is also a member of the Finnair Executive Board and Board of Management.

- Arja Suominen was appointed Senior Vice President, Communications and Corporate Responsibility, as well as member of Finnair Executive Board and Board of Management as of March 14, 2011.

- Christer Haglund, Senior Vice President, Communications, resigned his position in Finnair on April 15, 2011.

- As announced earlier, the Finnair Group's Deputy Chief Executive Officer Lasse Heinonen will leave Finnair on May 15, 2011. Heinonen has been responsible for Cargo business and Aviation Services, which include the Group's technical services functions, ground handling and catering operations. These units will in future report to other members of the Executive Board.

At the Annual General Meeting held on March 24, 2011, the following former members were elected as members of Finnair Plc's Board of Directors for a term lasting until the end of the next Annual General Meeting: Harri Sailas (Chairman), Elina Björklund, Sigurđur Helgason, Satu Huber, Ursula Ranin, Veli Sundbäck and Pekka Timonen. In addition, a new member, Harri Kerminen, was elected.

Finnair Board of Directors extends its warm thanks to Christopher Taxell, who left his duties as the chairman of the Finnair Board of Directors at the Annual General Meeting March 24, 2011. Mr Taxell did valuable work for the good of the company in a difficult operating environment and during an upheaval in the sector. His significant contribution in the further development of the company has been undisputable.

Article 8 of the company's Articles of Association concerning the auditor was amended to read as follows:
"The Company shall have one auditor which shall be an auditing firm certified by the Finnish Central Chamber of Commerce. The auditor shall be elected by the Annual General Meeting for a term of office that expires at the end of the Annual General Meeting following the election."

In accordance with the new Articles of Association, Authorised Public Accountants PricewaterhouseCoopers Oy was re-elected auditor of the company. PricewaterhouseCoopers Oy has notified that APA Eero Suomela will act as the principal auditor.

Personnel

In January-March the Group had an average of 7,470 employees (7,681). Personnel were distributed by business area as follows: Airline Business 3,505 (3,600), Travel Services 1,025 (1,164), and Aviation Services 2,646 (2,679). The total number of Group employees was 7627 in March 31, 2011.

In April, after the period under review, the company agreed a pay settlement with Finnair Technical Employees' Association and concluded a year-long collective agreement with the Finnish Aviation Employees' Association.

Corporate Responsibility

In April 2011, Finnair published its Corporate Responsibility Report for 2010. The report can be read on the company's website at the address:
http://www.finnairgroup.com/group/group_12_4.html

FINNAIR PLC
Board of Directors

Link to the notes to the financial statement

Press conference

Finnair will have its media briefing at 11 a.m. and analyst briefing at 12.30 p.m. at World Trade Centre, Helsinki-Vantaa Airport, address Lentäjäntie 3, on April 28, 2011.

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Financial reporting later in 2011:
– The interim report for January–June will be published on 5 August 2011– The interim report for January–September will be published on 27 October 2011
Additional information relating to the interim report can be found on the Finnair website at the address http://www.finnairgroup.com/investors/investors_2.html

FINNAIR GROUP FINANCIAL STATEMENT FOR JANUARY 1 - MARCH 31 2011

KEY FIGURES EUR mill.

	2011	**2010**	**Change**	**2010**
	1. Jan.- 31 .Mar.	**1. Jan.- 31. Mar.**	**%**	**1. Jan.- 31. Dec.**
Turnover	533,7	481,5	10,8	2 023,3
Profit before depreciation and lease payments, EBITDAR *	3,6	20,0	-82,0	176,6
Lease payments for aircraft	16,7	18,3	-8,7	63,1
Operating profit, EBIT*	-43,1	-26,3	63,9	-4,7
Fair value changes in derivatives and changes in exchange rates of overhauls	19,6	0,4	-	-6,4
Capital gains and non-recurring items	-19,6	0,0	-	-2,2
Operating profit, EBIT	-43,1	-25,9	66,4	-13,3
Profit for the period (share attributable to to shareholders of parent company)	-33,8	-21,8	-	-23,0

Operating profit. EBIT, % of turnover *	-8,1	-5,5	-	-0,2
EBITDAR. % of turnover *	0,7	4,2	-	8,7
Unit revenues of flight operations. c/RTK *	60,8	59,4	2,4	70,3
Unit costs of flight operations. c/RTK*	71,2	69,1	3,1	70,2
Unit costs of flight operations. c/ATK*	43,3	45,4	-4,7	45,6
Earnings per share EUR (basic, diluted)**	-0,28	-0,19	47,4	-0,24
Equity per share EUR	6,65	6,51	2,2	6,74
Gross investment (EUR mill.)	30,9	68,7	-55,0	183,5
Gross investment. % of turnover	5,8	14,3	-	9,1
Equity ratio %	34,7	34,6		36,2
Gearing %	30,0	30,2		27,8
Adjusted gearing %	80,6	91,9		79,6
Rolling 12-month ROCE %	-1,5	-8,3		-0,4
Rolling 12-month ROE %	-4,2	-13,4		-2,7

* Excluding capital gains, non-recurring items and fair value changes in derivatives and changes in the exchange rates of overhauls
Unit revenues on flight operations c/RTK=Revenues of fliht operations/flight operations RTK.
Unit costs on flight operations c/RTK=Operating expenses of flight operations/flight operations RTK.
Unit costs on flight operations c/ATK=Operating expenses of flight operations/flight operations ATK.

** Includes the interest of Hybrid Bond.

CALCULATION OF KEY RATIOS

Earnings / share:

Profit for the period
Average number of shares at the end of the financial year, adjusted for share issues

Equity / share:

Shareholders' equity
Number of shares at the end of the financial year, adjusted for share issues

Gearing, %:

Net interest-bearing liabilities * 100
Shareholders' equity + non-controlling interest

Operating profit.EBIT =
Operating profit excluding capital gains, non.recurring items and
fair value changes in derivatives and changes in the exchange rates
of fleet overhauls

Return on capital employed, %: (ROCE)

Profit before taxes + interest and other financial expenses *100
Balance sheet total - non-interest-bearing liabilities (average)

Net interest-bearing liabilities

Interest-bearing liabilities - interest-bearing assets - listed shares

Equity ratio, %:

Shareholders' equity + non-controlling interest *100
Balance sheet total - advances received

Return on equity %:(ROE)

Result *100
Equity + non-controlling interest (average)

Shareholders equity = To equity holders of the parent

The figures of interim report have not been audited.

CONSOLIDATED INCOME STATEMENT (EUR mill.)

	2011	2010	Change	2010
	1.Jan.- 31.Mar.	1.Jan.- 31.Mar.	%	1.Jan.- 31.Dec.
Turnover	**533,7**	**481,5**	**10,8**	**2 023,3**
Work used for own purposes and capitalized	1,3	0,5	160,0	8,7
Other operating income	2,7	2,8	-3,6	14,0
Capital gains *	-1,2	0,0	-	6,1
Operating income	**536,5**	**484,8**	**10,7**	**2 052,1**
Operating expenses				
Staff costs	116,8	111,9	4,4	438,8
Fuel	132,8	105,3	26,1	431,7
Lease payment for aircraft	16,7	18,3	-8,7	63,1
Other rental payments	29,1	18,8	54,8	88,0
Fleet materials and overhaul	30,2	28,0	7,9	120,7
Traffic charges	50,6	44,5	13,7	188,5
Ground handling and catering expenses	44,7	41,0	9,0	172,9
Expenses for tour operations	41,9	37,9	10,6	120,0
Sales and marketing expenses	21,7	19,9	9,0	83,7
Depreciation	30,0	28,0	7,1	118,2
Other expenses	66,3	57,5	15,3	225,1
Total	**580,8**	**511,1**	**13,6**	**2 050,7**
Operational profit, EBIT	**-43,1**	**-26,3**	**-**	**-4,7**
Fair value changes of derivatives and changes in exchange rates of fleet overhauls	19,6	0,4	-	-6,4
Non-recurring items	-18,4	0,0	-	-8,3
Total Expenses	**579,6**	**510,7**	**13,5**	**2 065,4**
Operating profit, EBIT	**-43,1**	**-25,9**	**-**	**-13,3**
Financial income	3,1	2,5	24,0	6,5
Financial expenses	-6,3	-6,0	5,0	-26,3
Share of result in associates	0,1	0,0	-	0,1
Profit before taxes	**-46,2**	**-29,4**	**57,1**	**-33,0**
Direct taxes	12,4	7,7	-	10,2
Profit for the period	**-33,8**	**-21,7**	**-**	**-22,8**

Earnings per share to shareholders of the parent company	-33,8	-21,8		-23,0
Non-controlling interest	0,0	0,1		0,2
Earnings per share calculated from profit attributable to shareholders of the parent company				
Earnings per share EUR (basic, diluted)	-0,28	-0,19		-0,24

* not included in the operational profit, EBIT

CONSOLIDATED BALANCE SHEET (EUR mill.)

	31.Mar. 2011	31.Mar. 2010	31.Dec. 2010
ASSETS			
Non-current assets			
Intangible assets	37,0	43,7	38,6
Tangible assets	1 420,0	1 464,6	1 406,6
Investments in associates	7,7	8,3	7,6
Financial assets	13,0	13,9	13,6
Deferred tax receivables	64,0	49,6	48,0
Total	1 541,7	1 580,1	1 514,4
Short-term receivables			
Inventories	45,9	50,5	47,5
Trade receivables and other receivables	378,3	264,9	252,3
Investments	434,3	470,5	485,4
Cash and cash equivalents	53,9	52,8	41,5
Total	912,4	838,7	826,7
Non-current Assets held for sale	27,3	19,4	70,7
Assets total	**2 481,4**	**2 438,2**	**2 411,8**
Shareholders' equity and liabilities			
Capital and provisions attributable to equity holders of the parent company			
Shareholders' equity	75,4	75,4	75,4
Other equity	773,6	755,8	777,1
Total	849,0	831,2	852,5
Non-controlling interest	0,6	0,9	0,8
Equity total	849,6	832,1	853,3
Long-term liabilities			
Deferred tax liability	113,9	93,9	103,3
Financial liabilities	646,6	689,9	677,7
Pension obligations	2,5	0,0	2,5
Provisions	71,9	78,1	72,6
Total	834,9	861,9	856,1
Short-term liabilities			
Current income and tax liabilities	0,0	0,0	0,3
Provisions	42,9	26,1	27,8
Financial liabilities	106,3	95,6	98,5
Trade payables and other liabilities	647,7	622,5	575,8
Total	796,9	744,2	702,4
Liabilities total	1 631,8	1 606,1	1 558,5
Shareholders' equity and liabilities, total	**2 481,4**	**2 438,2**	**2 411,8**

Shareholders' equity (EUR mill.)

Equity attributable to shareholders of the parent company												
	Share capital	**Share premium account**	**Bonus issue**	**Hedging reserve**	**Unrestricted equity**	**Translation difference**	**Retained earnings**	**Total**	**Non-controlling interest**	**Hybrid bond**	**Hybrid bond interest**	**Own equity, total**
Shareholders' equity 1.Jan.2010	75,4	20,4	147,7	-25,2	247,2	0,5	241,3	**707,3**	0,9	119,4	-	**827,6**
Dividend payment							0,0	0,0	-0,1	0,0	-	-0,1
Shareholders' equity related to owners 31.Mar.2010	75,4	20,4	147,7	-25,2	247,2	0,5	241,3	**707,3**	**0,8**	**119,4**	**-**	**827,5**
Hybrid bond								0,0	0,0	0,0	-	0,0
Result for the period							-21,8	-21,8	0,0			-21,8
Items of Comprehensive income				27,0		-0,7		26,3	0,1			26,4
Comprehensive income for the financial period	0,0	0,0	0,0	27,0	0,0	-0,7	-21,8	4,5	0,1	0,0	-	4,6
Shareholders' equity 31.Mar.2010	75,4	20,4	147,7	1,8	247,2	-0,2	219,5	**711,8**	**0,9**	**119,4**	**-**	**832,1**

Shareholders' equity (EUR mill.)

Equity attributable to shareholders of the parent company												
	Share capital	**Share premium account**	**Bonus issue**	**Hedging reserve**	**Unrestricted equity**	**Translation difference**	**Retained earnings**	**Total**	**Non-controlling interest**	**Hybrid bond**	**Hybrid bond interest**	**Own equity, total**
Shareholders' equity 1.Jan.2011	75,4	20,4	147,7	35,2	247,2	0,0	215,2	**741,1**	0,8	119,4	-8,0	**853,3**
Dividend payment							0,0	0,0	-0,2	0,0	-	-0,2
Shareholders' equity related to owners 31.Mar.2011	75,4	20,4	147,7	35,2	247,2	0,0	215,2	**741,1**	**0,6**	**119,4**	**-8,0**	**853,1**
Hybrid bond								0,0	0,0	0,0	-	0,0
Result for the period							-33,8	-33,8	0,0			-33,8
Items of Comprehensive income				30,4		-0,1		30,3	0,0			30,3
Comprehensive income for the financial period	0,0	0,0	0,0	30,4	0,0	-0,1	-33,8	-3,5	0,0	0,0	-	-3,5
Shareholders' equity 31.Mar.2011	75,4	20,4	147,7	65,6	247,2	-0,1	181,4	**737,6**	**0,6**	**119,4**	**-8,0**	**849,6**

CONSOLIDATED CASH FLOW STATEMENT

	1.Jan-31.Mar. 2011	1.Jan-31.Mar. 2010
EUR mill.		
Cash flows from operating activities		
Profit for the financial year	-33,8	-21,7
Operations for which a payment is not included *	24,0	25,1
Interest and other financial expenses	6,3	6,0
Interest income	-1,7	-2,2
Other financial income	-1,3	-0,2
Dividend income	-0,1	-0,1
Taxes	-12,4	-7,7
Changes in working capital	-14,8	-12,9
Interest paid	-4,5	-4,6
Paid financial expenses	-0,9	-0,3
Received interest	0,9	0,7
Received financial income	0,3	0,0
Taxes paid	0,0	0,0
Net cash flow from operating activities	**-38,0**	**-17,9**
Cash flows from investing activities		
Investments in intangible assets	-0,8	-0,6
Investments in tangible assets	-28,0	28,3
Net change of financial interest bearing assets at fair value through profit and loss	54,5	162,0
Net change of shares classified as available for sale	0,0	0,1
Sales of tangible fixed assets	43,3	0,6
Received dividends	0,1	0,1
Change in non-current receivable	0,6	6,6
Net cash flow from investing activities	**69,7**	**197,1**
Cash flows from financing activities		
Loan withdrawals and changes	0,3	10,8
Loan repayments and changes	-13,9	-119,0
Net cash flow from financing activities	**-13,6**	**-108,2**
Change in cash flows	**18,1**	**71,0**
Change in liquid funds		
Liquid funds, at beginning	294,0	262,9
Change in cash flows	18,1	71,0
Liquid funds, at end	**312,1**	**333,9**

Notes to consolidated cash flow statement

* Operations for which a payment is not included		
Depreciation	30,0	28,0
Employee benefits	0,0	-1,4
Fair value changes in derivatives and changes in exchange rates of fleet overhauls	-19,6	-0,4
Other adjustments	13,6	-1,1
Total	24,0	25,1
Financial asset at fair value	434,3	513,8
Liquid funds	53,9	9,5
Short-term cash and cash equivalents in balance sheet	488,2	523,3
Maturing after more than 3 months	-152,2	-156,7
Shares held to trading purposes	-23,9	-32,7
Total in cash flow statement	312,1	333,9

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. BASIC OF PREPARATION

This consolidated interim report has been prepared according to the International (IAS) Standard 34: Interim Financial Reporting.

2. ACCOUNTING PRINCIPLES

The accounting principles adhered to in the interim report are consistent with the principles adhered to in the 2010 consolidated financial statements.

The following new standards, changes to standards and the application of interpretations which are perceived to be essential for the Group have been introduced from the beginning of 2011:

IAS 24 (Revised) Related Party Disclosures The revised standard simplifies the disclosure requirements for government-related entities and clarifies the definition of a related party. The revised standard still requires disclosures that are important to users of financial statements but eliminates requirements to disclose information that is costly to gather and of less value to users. It achieves this balance by requiring disclosure about these transactions only if they are individually or collectively significant.

IAS 32 (Amendment) Financial Instruments: Presentation – Classification of Rights Issues he amendment addresses the accounting for rights issues (rights, options or warrants) that are denominated in a currency other than the functional currency of the issuer. Previously such rights issues were accounted for as derivative liabilities. However, the amendment requires that, provided certain conditions are met, such rights issues are classified as equity regardless of the currency in which the exercise price is denominated

IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments The interpretation clarifies the accounting when an entity renegotiates the terms of its debt with the result that the liability is extinguished by the debtor issuing its own equity instruments to the creditor. IFRIC 19 requires a gain or loss to be recognised in profit or loss when a liability is settled through the issuance of the entity's own equity instruments. The amount of the gain or loss recognised in profit or loss will be the difference between the carrying value of the financial liability and the fair value of the equity instruments issued.

IFRIC 14 (Amendment) Prepayments of a Minimum Funding Requirement The amendment is aimed at correcting an unintended consequence of IFRIC 14. As a result of the interpretation, entities are in some circumstances not permitted to recognise some prepayments for minimum funding contributions as an asset. The amendment remedies this unintended consequence by requiring prepayments in appropriate circumstances to be recognised as assets.

The interpretation does not have any essential impact on the consolidated financial statements

The standards and interpretations published by the IASB to be introduced by the Group in 2012 and 2013 will be introduced in the accounting principles of 2011 financial statements.

3. CRITICAL FINANCIAL STATEMENT ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements bulletin requires the company's management to make estimates and assumptions that influence the levels of reported assets and liabilities as well as of revenue and expenses. The actual outcomes may differ from the estimates and assumptions made.

The main estimates and assumptions used are the same as used while preparing the financial statements 2010.

4. SEGMENT INFORMATION

The reported segment of the Group are business segments The business segments are Airline Business, Aviation Services and Travel Services.
Pricing between segments takes place at the going market price.

Business segment data 1.Jan. - 31.Mar.2011

EUR mill.	Airline Business	Aviation Services	Travel Services	Group eliminations	Unallocated items	**Group**
External turnover	401,0	26,4	106,3			533,7
Internal turnover	51,3	88,1	0,3	-139,7		0,0
Turnover	452,3	114,5	106,6	-139,7	0,0	533,7
Operating profit	-39,9	-15,6	1,1		11,3	-43,1
Share of results of associated undertakings					0,1	0,1
Financial income					3,1	3,1
Financial expenses					-6,3	-6,3
Income tax					12,4	12,4
Non-controlling interest					0,0	0,0
Result for the period						-33,8
Depreciation	24,7	4,8	0,3	0,0	0,2	30,0

Business segment data 1.Jan. - 31.Mar.2010

EUR mill.	Airline Business	Aviation Services	Travel Services	Group eliminations	Unallocated items	**Group**
External turnover	355,7	26,1	99,7			481,5
Internal turnover	47,5	84,6	0,4	-132,5		0,0
Turnover	403,2	110,7	100,1	-132,5	0,0	481,5
Operating profit	-26,1	1,6	0,4		-1,8	-25,9
Share of results of associated undertakings					0,1	0,1
Financial income					2,5	2,5
Financial expenses					-6,0	-6,0
Income tax					7,7	7,7
Non-controlling interest					-0,1	-0,1
Result for the period						-21,7
Depreciation	23,3	4,0	0,4	0,0	0,3	28,0

Turnover

EUR mill.	2011 1.Jan.-31.Mar.	2010 1.Jan.-31.Mar.	Change %	2010 1.Jan.-31.Dec.
Airline Business	452,3	403,2	12,2	1 740,4
Aviation Services	114,5	110,7	3,4	429,0
Travel Services	106,6	100,1	6,5	316,9
Group eliminations	-139,7	-132,5	5,4	-463,0
Total	**533,7**	**481,5**	**10,8**	**2 023,3**

Operating profit excluding capital gains, non recurring items and fair value changes in derivatives and changes in the exchange rates of overhauls

EUR mill.	2011 1.Jan.-31.Mar.	2010 1.Jan.-31.Mar.	Change %	2010 1.Jan.-31.Dec.
Airline Business	-43,9	-24,6	78,5	1,9
Aviation Services	2,8	1,6	75,0	8,1
Travel Services	1,1	0,4	175,0	0,0
Unallocated items	-3,1	-3,7	-16,2	-14,7
Total	**-43,1**	**-26,3**	**63,9**	**-4,7**

Employees average by segment

	2011 1.Jan.-31.Mar.	2010 1.Jan.-31.Mar.	Change %
Airline Business	3 505	3 600	-2,6
Aviation Services	2 646	2 679	-1,2
Travel Services	1 025	1 164	-11,9
Other functions	294	238	23,5
Total	**7 470**	**7 681**	**-2,7**

5. MANAGEMENT OF FINANCIAL RISKS

No significant changes have been made to the Group's risk management principles in the reporting period. The objectives and principles of risk management are consistent with information presented in the Group's 2010 Annual Report.
The tables below present the nominal value or the amount and net fair value of derivative contracts used in Group's hedge accounting.

Derivative contracts	Nominal value	Positive fair value	Negative fair value	Fair net value	Nominal value	Positive fair value	Negative fair value	Fair net value	Nominal value	Positive fair value	Negative fair value	Fair net value
	31.Mar. 2011				31.Mar. 2010				31.Dec.2010			
Currency derivatives EUR mill.												
Hedge accounting items												
Forward contracts, Jet Fuel currency hedging	291,6	1,9	-11,0	-9,1	302,0	16,4	-1,5	14,9	324,2	12,7	-3,4	9,3
Forward contracts, Hedging of Aircraft purchase price												
Fair value hedging	295,5	6,2	-4,0	2,2	379,6	14,6	-0,6	14,0	297,4	17,1	-1,7	15,4
Cash flow hedging	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Forward contracts, Currency hedging of lease payments	40,9	0,1	-2,2	-2,1	29,4	1,7	-0,2	1,5	42,8	1,0	-0,4	0,6
Total	**628,0**	**8,2**	**-17,2**	**-9,0**	**711,0**	**32,7**	**-2,3**	**30,4**	**664,4**	**30,8**	**-5,5**	**25,3**
Currency derivatives at fair value through profit or loss												
Operating cash flow hedging (forward contracts)	173,1	3,6	-4,9	-1,3	256,5	7,1	-6,5	0,6	160,8	1,0	-4,8	-3,8
Operational cash flow hedging (options)												
Call options	40,7	1,8	-0,4	1,4	0,0	0,0	0,0	0,0	37,8	0,0	0,0	0,0
Put options	6,8	0,4	-0,5	-0,1	0,0	0,0	0,0	0,0	33,0	0,0	-0,2	-0,2
Balance sheet hedging (forward contracts)	89,4	0,0	-2,0	-2,0	94,6	3,2	0,0	3,2	92,8	3,6	0,0	3,6
Total	**310,0**	**5,8**	**-7,8**	**-2,0**	**351,1**	**10,3**	**-6,5**	**3,8**	**324,4**	**4,6**	**-5,0**	**-0,4**
Currency derivatives, total	**938,0**	**14,0**	**-25,0**	**-11,0**	**1 062,1**	**43,0**	**-8,8**	**34,2**	**988,8**	**35,4**	**-10,5**	**24,9**

	Nominal value	Positive fair value	Negative fair value	Fair net value	Nominal value	Positive fair value	Negative fair value	Fair net value	Nominal value	Positive fair value	Negative fair value	Fair net value
	(tonnes/MWh)								(tonnes/MWh)			
	31.Mar. 2011				31.Mar. 2010				31.Dec.2010			
Commodity derivatives												
Hedge accounting items												
Jet Fuel swaps (tonnes)	530 550	96,3	-0,5	95,7	517 650	12	-37,3	-25,3	547 350	35,3	-5,2	30,1
Electricity hedging MWh	118 462	0,8	0,0	0,8	0,0	0,0	0,0	0	127 402	1,3	0,0	1,3
Currency derivatives at fair value through profit or loss												
Jet fuel forward contracts, (tonnes)	60 350	12,2	0,0	12,2	63 300	1,5	-0,2	1,3	101 750	6,6	0,0	6,6
Gasoil forward contracts (tonnes)	0	0,0	0,0	0,0	0	0,0	0,0	0,0	0	0,0	0,0	0,0
Jet differential forward contracts (tonnes)	3 500	0,0	0,0	0,0	99 500	4,3	-0,2	4,1	22 000	0,6	0,0	0,6
Options												
Jet fuel options, (tonnes)	132 000	15,0	0,0	15,0	79 250	0,9	0,0	0,9	83 750	4,7	0,0	4,7
Jet fuel put options, (tonnes)	264 000	0,0	-6,6	-6,6	95 750	0,0	-0,2	-0,2	162 750	0,0	-1,6	-1,6
Gasoil options, (tonnes)	0	0,0	0,0	0,0	0	0,0	0,0	0,0	0	0,0	0,0	0,0
Gasoil put put options, (tonnes)	0	0,0	0,0	0,0	0	0,0	0,0	0,0	0	0,0	0,0	0,0
Electricity hedging MWh	32 456	0,0	0,0	0,0			0,0	0,0	39 157	0,1	0,0	0,1
Total		**124,3**	**-7,2**	**117,1**		**18,7**	**-37,9**	**-19,2**		**48,6**	**-6,8**	**41,8**

	Nominal value	Positive fair value	Negative fair value	Fair net value	Nominal value	Positive fair value	Negative fair value	Fair net value	Nominal value	Positive fair value	Negative fair value	Fair net value
	31.Mar. 2011				31.Mar. 2010				31.Dec.2010			
Interest rate derivatives EUR mill.												
Cross currency Interest rate swaps												
Hedge accounting items	0,0	0,0	0,0	0,0	2,6	2,6	-3,8	-1,2	0,0	0,0	0,0	0,0
Cross currency interest rate swaps at fair value through profit or loss	30,6	30,5	-31,6	-1,1	6,0	6,3	-9,3	-3,0	2,6	2,7	-3,9	-1,2
Total	**30,6**	**30,5**	**-31,6**	**-1,1**	**8,6**	**8,9**	**-13,1**	**-4,2**	**2,6**	**2,7**	**-3,9**	**-1,2**
Interest rate swaps												
Hedge accounting items	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Interest rate swaps at fair value through profit or loss	25,0	0,3	0,0	0,3	45,0	0,0	-0,3	-0,3	25,0	0,0	-0,3	-0,3
Total	**25,0**	**0,3**	**0,0**	**0,3**	**45,0**	**0,0**	**-0,3**	**-0,3**	**25,0**	**0,0**	**-0,3**	**-0,3**
	Nominal value	**Positive fair value**	**Negative fair value**	**Fair net value**	**Nominal value**	**Positive fair value**	**Negative fair value**	**Fair net value**	**Nominal value**	**Positive fair value**	**Negative fair value**	**Fair net value**
	31.Mar. 2011				31.Mar. 2010				31.Dec.2010			
Share derivatives												
Shares												
Call options, share	0,0	0,0	0	0	0,0	0	0,0	0	0,0	0,0	0,0	0

6. COMPANY ACQUISITIONS AND SALES

During the financial period the Group didn't have any acquired businesses.

7. INCOME TAXES

Operational and deferred taxes based on the result have been recognised in the income statement at prevailing tax rates.

8. DIVIDEND PER SHARE

The Annual General Meeting on 24 March 2011 decided not to distribute a dividend for financial year 2010.

9. CHANGE IN INTANGIBLE AND TANGIBLE ASSETS

9. CHANGE IN INTANGIBLE AND TANGIBLE ASSETS

EUR mill.	31.Mar. 2011	31.Mar. 2010	31.Dec. 2010
Carrying amount at the beginning of period	1 515,9	1 534,5	1 534,5
Fixed asset investments	30,9	68,7	183,5
Change in advances	12,0	-30,5	-62,3
Disposals	-44,5	-0,5	-4,6
Transfers	0,0	-16,5	-16,5
Depreciation	-30,0	-28,0	-118,7
Carrying amount at the end of period	**1 484,3**	**1 527,7**	**1 515,9**

Proportion of assets held for sale at beginning of period	70,7	19,4	19,4
Proportion of assets held for sale at end of period	27,3	19,4	70,7

10. INTEREST - BEARING LIABILITIES

The loan withdrawals were according to the loan withdrawals program. The rest of the loan transactions presented in the accounts relate to old secured loans, which owing to their exceptional agreement structure have a net repayment entered gross both as a withdrawal and a repayment.

11. CONTINGENT LIABILITIES

EUR mill.	31.Mar .2011	31.Mar. 2010	31.Dec. 2010
Pledges on own behalf	585,7	699,0	593,4
Guarantees on behalf of group undertakings	65,4	68,8	65,5
Guarantees on behalf of others	2,5	0,0	2,6
Total	**653,6**	**767,8**	**661,5**

Investment commitments for property. plant and equipment on 31. March 2011 totalled 1.000.0 million euros (1.100,0)

12. LIABILITIES

EUR mill.	31.Mar .2011	31.Mar. 2010	31.Dec. 2010
Fleet lease payment liabilities	253,2	211,8	282,3
Other liabilities	252,4	251,6	249,8
Total	**505,6**	**463,4**	**532,1**

13. RELATED PARTY TRANSACTIONS

Related party transactions are presented in Finnair's 2010 Annual Report. There have been no substantial changes after the closing date. Transactions and open balances with associated undertakings were of very minor significance in the reporting period.

14. AIR TRAFFIC 1.Jan.-31.March 2011

	Total traffic	Europe	North America	Asia	Domestic	Scheduled Traffic Total	Leisure	Cargo
Passengers (1000)	1 885	847	35	334	439	1 655	230	
%-change	2,5	0,1	9,6	4,2	12,6	4,2	-8,2	
Cargo and mail (tonnes)	34 447	5 571	2 119	18 882	589	27 161	201	7 085
%-change	38,0	18,6	8,1	10,5	-4,7	11,5	-66,3	0,0
Available seat-kilometres mill	7 353	1 897	311	3 314	440	5 961	1 392	
%-change	12,1	9,7	15,1	20,2	20,0	16,4	-3,1	
Revenue passenger kilometres	5 339	1 145	229	2 456	236	4 066	1 273	
%-change	1,7	-0,8	9,6	5,0	5,1	3,5	-3,8	
Passenger load factor %	72,6	60,4	73,7	74,1	53,6	68,2	91,5	
%-change	-7,4	-6,4	-3,7	-10,7	-7,6	-8,4	-0,7	
Available tonne-kilometres	1 133							337
%-change	20,5							62,4
Revenue tonne-kilometres mill	688							209
%-change	11,4							42,5
Overall load factor %	60,7							62,2 *
%-change	-5,0							-8,7

* Operational calculatory capacity

15. ITEMS OF STATEMENT OF COMPREHENSIVE INCOME

Other comprehensive income include the unrealisable change in the fair value of the hedging instruments of the hedge accounting items which has earlier recognised straight in the hedging reserve of the shareholders' equity and the translation difference.

EUR mill.	2011 1.Jan.- 31.Mar.	2010 1.Jan.- 31.Mar.	Change %	2010 1.Jan.- 31.Dec.
Profit for the period	**-33,8**	**-21,7**	55,8	**-22,8**
Other comprehensive income items				
Translation differences	-0,1	-0,7	-85,7	-0,5
Change in fair value of available-for-sale financial assets after taxes	-1,6	5,1	-131,4	1,5
Change in fair value of hedging instruments after taxes	32,0	21,9	46,1	58,9
Other comprehensive income items, total	**30,3**	**26,3**	15,2	**59,9**
Comprehensive income for the financial period	**-3,5**	**4,6**	-	**37,1**
Earnings per share to shareholders of the parent company of the comprehensive income statement	-3,5	4,5		36,9
Earnings per share to non-controlling interest of the comprehensive income statement	0,0	0,1		0,2

16. EVENTS AFTER THE REVIEW PERIOD

There have not been other remarkable events after the closing date as told in the interim report.