FINNAIR GROUP FINANCIAL STATEMENTS RELEASE

1 JANUARY – 31 DECEMBER 2024

13 February 2025

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Q4 revenue increased and comparable operating result more than doubled; the Board proposes a return of capital of 0.11 euros per share

October – December 2024

- Revenue increased by 7.7 per cent to 782.9 million euros (727.2).
- Unit revenue (RASK) increased by 4.3 per cent to 8.38 cents (8.04).
- Unit cost (CASK) increased by 1.0 per cent to 7.87 cents (7.79).
- Comparable operating result was 47.9 million euros (22.5). Industrial action in November–December had a negative impact of around 5 million euros on the comparable operating result.
- Operating result was 12.1 million euros (27.3). In addition to industrial action, operating result was negatively impacted by the partial return of indexation of the obligations of Finnair Pension Fund.
- Result for the period was -8.4 million euros (60.2). In addition to industrial action and the partial return of indexation of the obligations of Finnair Pension Fund, comparability was affected by the deferred tax assets that supported the result for the comparison period.
- Earnings per share were -0.04 euros (0.41*).
- Cash funds were 884.0 million euros (922.0).
- Equity ratio was 16.9 per cent (15.6).
- Net cash flow from operating activities was 201.8 million euros (-5.7), and net cash flow from investing activities was -175.3 million euros (-177.7)**. Gross capital expenditure totalled 320.8 million euros (268.6).
- Number of passengers increased by 9.1 per cent to 2.8 million*** (2.6).
- Available seat kilometres (ASK) increased by 3.3 per cent to 9,341.7 million kilometres (9,047.5). Including wet leases, ASKs increased by 4.1 per cent.
- Passenger load factor (PLF) increased by 3.3 percentage points to 76.4 per cent (73.1).

January – December 2024

- Revenue increased by 2.0 per cent to 3,048.8 million euros (2,988.5).
- Unit revenue (RASK) decreased by 3.6 per cent to 7.97 cents (8.27).
- Unit cost (CASK) decreased by 2.4 per cent to 7.57 cents (7.76).
- Comparable operating result was 151.4 million euros (184.0).
- Operating result was 114.2 million euros (191.4). Operating result was negatively impacted by the partial return of indexation of the obligations of Finnair Pension Fund.
- Result for the period was 37.0 million euros (254.3). In addition to the partial return of indexation of the obligations of Finnair Pension Fund, comparability was affected by the deferred tax assets that supported the result for the previous year.
- Earnings per share were 0.18 euros (2.25*).
- Net cash flow from operating activities was 612.7 million euros (472.3), and net cash flow from investing activities was -286.4 million euros (-464.0)**. Gross capital expenditure totalled 463.8 million euros (484.2).
- Number of passengers increased by 6.1 per cent to 11.7 million*** (11.0).
- Available seat kilometres (ASK) increased by 5.8 per cent to 38,259.3 million kilometres (36,154.5). Including wet leases, ASKs increased by 6.8 per cent.
- Passenger load factor (PLF) decreased by 0.6 percentage points to 75.8 per cent (76.4).
- The Board of Directors proposes to the Annual General Meeting that a return of capital of 0.11 euros per share be distributed to shareholders.

Unless otherwise stated, comparisons and figures in parentheses refer to the comparison period, i.e., the same period last year.

* *On 20 March 2024, Finnair executed a reverse split, i.e. a reduction of the number of shares where every 100 old shares in the company corresponds to one new share. The comparison figure has been restated accordingly.*
** *In Q4, net cash flow from investing activities included 20.1 million euros of redemptions (68.0 million euros of redemptions) in money market funds or other financial assets (maturity over three months). In 2024, redemptions totalled 4.1 million euros (60.7 million euros of investments). They are a part of the Group's liquidity management.*
*** *The number of passengers and cargo tonnes for January-November 2024 were corrected in December, with a total impact of 59,100 additional passengers and 828.7 additional cargo tonnes for the period.*

Outlook

GUIDANCE ISSUED ON 29 OCTOBER 2024:

Global air traffic is expected to continue growing in 2024. However, risks related to the impact of inflation and higher interest rates on demand and costs remain elevated, causing uncertainty in the operating environment. International conflicts and global political instability also cause uncertainty in the operating environment, particularly in the form of fuel price volatility.

Finnair reiterates its previous guidance and plans to increase its total capacity, measured by ASKs, by c. 10 per cent in 2024. The capacity estimate includes the agreed wet leases. This growth will mainly focus on Asia and Europe.

Finnair reiterates that its revenue in 2024 will be within the range of 3.0–3.2 billion euros. The company specifies its previous estimate and now expects its comparable EBIT will be within the range of 120–170 million euros in 2024.

Finnair will update its outlook and guidance in connection with the financial statements bulletin for 2024.

NEW GUIDANCE ON 13 FEBRUARY 2025:

Global air traffic is expected to continue growing in 2025. However, international conflicts, global political instability and a tense labour market situation in Finland cause uncertainty in the operating environment.

Finnair plans to increase its total capacity, measured by ASKs, by c. 10 per cent in 2025. The capacity estimate includes the agreed wet leases. Finnair expects its revenue to be within the range of 3.3–3.4 billion euros and its comparable operating result to be within the range of 100–200 million euros in 2025. In 2025, profitability is burdened particularly by additional costs caused by the sustainable aviation fuel distribution obligation introduced in the EU, as well as rising navigation and landing charges, which will weigh on the comparable operating result especially for the seasonally low first quarter. In addition, the first quarter's comparable operating result will be negatively impacted by the timing of Easter.

The estimates regarding capacity, revenue and comparable operating result do not include impacts of industrial action. In January 2025, the estimated negative impact of industrial action on comparable operating result was around 5 million euros.

Finnair will update its outlook and guidance in connection with the 2025 first quarter interim report.

CEO Turkka Kuusisto:

For Finnair, the fourth quarter of 2024 was strong: the number of passengers increased by 9.1 per cent and our revenue by 7.7 per cent, while our comparable operating result more than doubled from the comparison period. In addition to higher revenue, an improved passenger load factor and a lower fuel price contributed to the increase in comparable operating result. Our capacity increased by 3.3 per cent during the quarter, and by 4.1 per cent when taking wet lease outs into account. The improved passenger load factor supported an increase in unit revenue, while the decline in average ticket fares stabilised.

However, the result for the quarter was negatively impacted by weather-related disruptions and industrial action by the Finnish Air Line Pilots' Association related to the pilots' collective bargaining, which led to a cancellation of approximately 300 flights during two days in December and more than 200 flights outside those two days in November and December. The pilots' industrial action had a negative impact on the regularity of Finnair flights and affected more than 60,000 customers in total. Their impact was also reflected in our customer satisfaction, which, measured by Net Promoter Score, declined to 33 in the fourth quarter.

The market dynamics shifted during 2024. Demand weakened from the record strong comparison year, capacity in the market increased, and average ticket fares declined. Finnair's passenger revenue remained at the level of 2023. Ancillary revenue increased by 23 per cent, driven by the ticket reforms introduced in mid-2023. Our cargo business grew by 7 per cent and travel services by 2 per cent.

During 2024, we flew a successfully balanced route network. Our foothold is still strong in Asia, while the role of North Atlantic and European traffic in our business has grown. Measured in available seat kilometres and taking wet lease outs into account, our capacity increased by 6.8 per cent during the year, which was less than we predicted due to industrial action and aircraft maintenance needs, among other things. In December, we received the 18th Airbus A350, which immediately began operating on our long-haul flights and supports the growth of our business.

Our net cash flow from operating activities was strong both in the fourth quarter and for the full year, and we systematically implemented measures to further strengthen the balance sheet during the year. Our balance sheet is now in a good shape to support the implementation of Finnair's strategy. Continuous improvement and cost efficiency are essential in securing and developing Finnair's competitiveness in a highly competitive market.

Customer satisfaction, measured by Net Promoter Score, was 37 for the full year. It was negatively impacted by industrial action by pilots and other traffic disruptions in the fourth quarter. We continue to invest in the management of disruptions so that we can minimise their impact on our customers and provide them with high-quality and timely service even in exceptional situations. A deeper understanding of customer needs and meeting those play a key role in the development of Finnair's offering and customer service.

Our planned capacity growth for 2025 focuses on North Atlantic traffic and supports revenue growth. Cost pressures are brought by rising salaries, navigation and landing charges, aircraft maintenance costs, and costs related to emissions trading and sustainable aviation fuel. We are currently finalising a strategy update with a particular focus on Finnair's core customers' needs, operational development and cost competitiveness to maintain and strengthen our position as a safe and high-quality airline and a trusted partner for our customers. As part of this, we are also preparing a partial renewal of our narrow-body fleet.

Thanks to the positive result and our strong financial position, we have the opportunity to reward our shareholders after a long time with a return of capital of 0.11 euros per share, as proposed by the Board of Directors. The amount exceeds the target of one third of earnings per share set in our shareholder return policy, as the reported earnings per share were impacted by a one-off item. Our shareholders have supported us through the difficult crisis years, and we are happy to now redeem the value creation target we set in connection with the rights issue.

Finally, I would like to thank our customers for their trust in Finnair and all Finnair employees for their committed work in serving customers, both during the operational challenges in the last quarter and throughout the year.

Business environment in Q4

Market situation improved year-on-year, with highest growth observed in leisure and premium demand. The decline in average ticket fares stabilised. Although demand in Finnair's Asian markets was still below the pre-pandemic levels, healthy growth was seen in Japan. Demand in the US was also stronger. Growth in long-haul leisure demand supported the performance of all Nordic origins, and strong interest towards Nordic destinations, especially Lapland, was seen in demand in European origin markets.

Finnair has continued operating to most of its Asian destinations despite routings that are up to 40 per cent longer. However, the company has limited operations especially to China, as the Chinese carriers are able to utilise Russian airspace, and demand for air travel between Europe and China has yet to recover.

Scheduled market capacity, measured in ASKs, increased by 7.1 per cent (7.9) between origin Helsinki and Finnair's European destinations and by 15.2 per cent (45.5) between Finnair's Asian and European destinations. Between Finnair's North Atlantic and European destinations, scheduled market capacity decreased by 6.5 per cent (8.8). Industrial action in Finland had an impact on Finnair's operations, leading to the cancellation of more than 500 flights.

Demand for Aurinkomatkat travel packages was at a good level. The capacity of popular summer destinations was increased for October and the travel season extended. The growing demand for winter season destinations, such as Thailand, Madeira, and the Canary Islands, was met by increasing the available capacity. In allotment-based production, the number of passengers increased, while the load factor declined slightly in conjunction with the growth in capacity. Demand continued to be impacted by inflation and weaker consumer confidence, resulting in tougher price competition. Finnair pilots' industrial action and standby bans resulted in the cancellation of some trips. Globally increased demand for popular travel destinations increased hotel prices and weakened their availability. Sales for the upcoming summer season started promisingly. Demand growth for city holidays continued to level off. The crisis in the Middle East has not had a significant impact on the demand for travel packages.

Cargo demand remained solid, especially for cargo from Asia, despite the negative impact of flight cancellations related to industrial action and standby bans.

The US dollar, which is the most significant expense currency for Finnair after the euro, strengthened by 0.8 per cent against the euro. The US dollar-denominated average market price of jet fuel was 22.1 per cent lower and the euro-denominated market price 21.4 per cent lower than in the comparison period. Changes in fuel price and exchange rates are, however, not directly reflected in Finnair's result due to its hedging policy, as the company hedges its fuel purchases and key foreign currency items.

Financial performance in Q4

REVENUE IN Q4

Finnair's total revenue increased by 7.7 per cent compared to the corresponding period in the previous year, driven by growth in all products.

Revenue by product

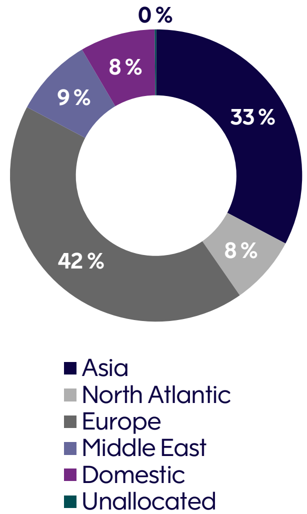
EUR million	Q4/2024	Q4/2023	Change %
Passenger revenue	610.9	573.1	6.6
Ancillary revenue	52.3	43.8	19.4
Cargo	55.3	50.5	9.5
Travel services	64.4	59.8	7.8
Total	**782.9**	**727.2**	**7.7**

Unit revenue (RASK) increased by 4.3 per cent and amounted to 8.38 cents (8.04). The increase was driven by a higher load factor in passenger traffic and higher ancillary revenue.

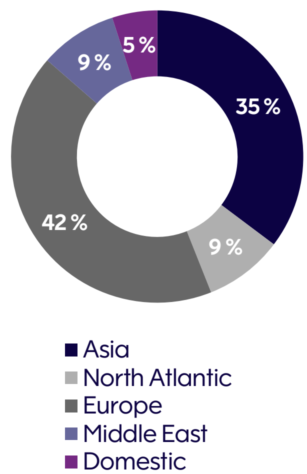
Passenger revenue and traffic data by area

	Passenger revenue		ASK		RPK		PLF	
Traffic area	Q4/2024 MEUR	Q4/2023 MEUR	Q4/2024 Mill. km	Q4/2023 Mill. km	Q4/2024 Mill. km	Q4/2023 Mill. km	%	Change %-p
Asia	199.7	185.7	3,295.4	3,359.0	2,678.9	2,439.5	81.3	8.7
North Atlantic	46.4	45.1	812.0	918.7	651.4	641.8	80.2	10.4
Europe	259.4	246.2	3,968.4	3,591.4	2,904.0	2,700.7	73.2	- 2.0
Middle East	53.7	53.2	799.1	767.9	588.3	550.8	73.6	1.9
Domestic	50.7	48.3	466.7	410.5	316.9	282.0	67.9	- 0.8
Unallocated	1.1	-5.5						
Total	**610,9**	**573.1**	**9,341.7**	**9,047.5**	**7,139.7**	**6,614.8**	**76.4**	**3.3**

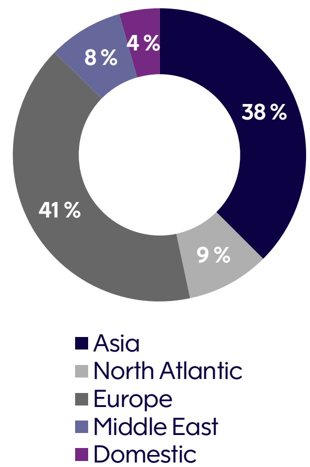
Q4 passenger revenue



Q4 capacity (ASKs)



Q4 traffic (RPKs)



Passenger revenue increased by 6.6 per cent, while traffic capacity, measured in Available Seat Kilometres (ASK), increased by 3.3 per cent overall. ASKs increased as additional narrow-body capacity was now in Finnair's own, more efficient use after the wet lease outs to British Airways ended in March 2024. The additional capacity was allocated to European and domestic traffic. In November and December, capacity growth was burdened by industrial action that resulted in the cancellation of more than 500 flights. Including wet lease outs, ASKs increased by 4.1 per cent, driven by the co-operation with Qantas started in Q4 2023. The number of passengers increased by 9.1 per cent to 2,847,800 passengers[1]. Traffic, measured in Revenue Passenger Kilometres (RPK), increased by 7.9 per cent, while the Passenger Load Factor (PLF) increased by 3.3 percentage points to 76.4 per cent.

The distance-based reported traffic figures are based on the great circle distance and, thus, do not reflect the longer Asian routings caused by the closure of the Russian airspace. As a result, they are not fully comparable with the figures prior to the airspace closure. During the period, adjusted ASKs, taking into account the longer sector lengths, would be c. 15 per cent higher than the reported ASKs.

In Asian traffic, ASKs declined by 1.9 per cent, impacted by industrial action. RPKs increased by 9.8 per cent. Therefore, the PLF increased by 8.7 percentage points to 81.3 per cent.

In North Atlantic traffic, ASKs declined by 11.6 per cent due to cut frequencies to US destinations and industrial action. RPKs increased by 1.5 per cent. Consequently, the PLF increased by 10.4 percentage points to 80.2 per cent.

In European traffic, ASKs increased by 10.5 per cent, as majority of the increase in narrow-body capacity was allocated to routes in northern Europe. RPKs increased by 7.5 per cent. Therefore, the PLF declined by 2.0 percentage points to 73.2 per cent.

In Middle Eastern traffic, ASKs increased by 4.1 per cent, driven by added capacity to Dubai. RPKs increased by 6.8 per cent. The PLF increased by 1.9 percentage points to 73.6 per cent.

Domestic traffic capacity increased by 13.7 per cent due to the additional narrow-body capacity, which was mainly allocated to northern routes slightly earlier than in the comparison period. RPKs increased by 12.4 per cent. Therefore, the PLF decreased by 0.8 percentage points to 67.9 per cent.

Ancillary revenue increased by 19.4 per cent to 52.3 million euros (43.8), and ancillary revenue per passenger increased by 9.5 per cent to 18.35 euros (16.76). Driven by the development of ancillary sales optimisation, the improved capabilities in ancillary pricing and digital sales led to the growth of ancillary revenue being well above that of ticket revenue. Frequent flyer programme-related revenue, advance seat reservations and excess baggage were the largest ancillary categories.

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[1] The number of passengers and cargo tonnes for January-November 2024 were corrected in December, with a total impact of 59,100 additional passengers and 828.7 additional cargo tonnes for the period.

Revenue cargo tonne kilometres decreased by 2.4 per cent and total cargo tonnes by 0.7 per cent. However, cargo revenue increased by 9.5 per cent, thanks to stronger demand and higher yields from Asia. It should be noted that Finnair reports the cargo traffic figures related to the Qatar Airways cooperation as the operating carrier. However, revenue related to these flights is reported in passenger revenue in full.

Travel services' financial development was supported by the increase in allotment-based capacity but negatively impacted by inflation, weaker consumer confidence and limited hotel availability. The total number of travel service passengers increased by 7.1 per cent, while the load factor in allotment-based capacity was 93.3 per cent. Travel service revenue increased by 7.8 percent to 64.4 million euros (59.8)

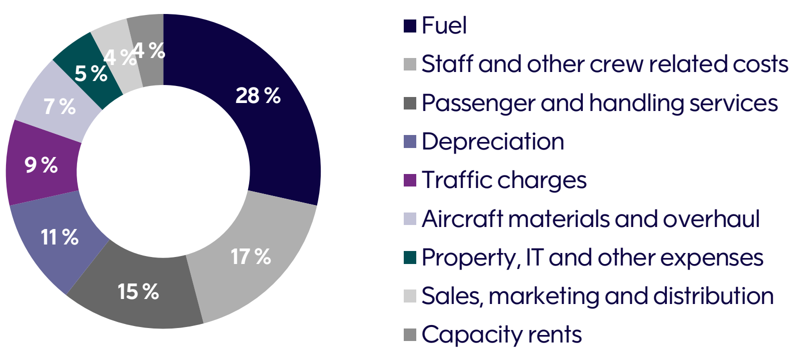
Other operating income increased by 2.6 per cent to 32.3 million euros (31.5).

OPERATING EXPENSES INCLUDED IN COMPARABLE OPERATING RESULT IN Q4

Finnair's operating expenses, included in comparable operating result, increased by 4.2 per cent, mainly due to higher capacity. Cost efficiency actions were continued during the quarter.

Unit cost (CASK) increased by 1.0 per cent and totalled 7.87 cents (7.79). CASK excluding fuel increased by 3.6 per cent and amounted to 5.53 cents (5.33). The increase was primarily driven by personnel costs, traffic charges, passenger and handling costs as well as property, IT and other expenses that all increased more than capacity.

Q4 operating expenses (€767.4 million in total) included in comparable operating result



EUR million	Q4/2024	Q4/2023	Change %
Staff and other crew related costs	133.4	124.0	7.6
Fuel costs	218.6	222.0	-1.6
Capacity rents	29.0	27.8	4.0
Aircraft materials and overhaul	55.6	59.0	-5.8
Traffic charges	67.8	58.4	16.1
Sales, marketing and distribution costs	29.9	28.3	5.8
Passenger and handling costs	113.2	104.4	8.4
Property, IT and other expenses	36.4	27.8	30.8
Depreciation	83.5	84.3	-1.0
Total	**767.4**	**736.1**	**4.2**

Operating expenses included in the comparable operating result, excluding fuel, increased by 6.7 per cent.

Fuel costs, including hedging results and emissions trading costs, decreased by 1.6 per cent thanks to a lower fuel price[2], despite higher capacity. Fuel efficiency (as measured in fuel consumption per ASK) weakened by 1.3 per cent. Fuel consumption per Revenue Tonne Kilometre (RTK), which accounts for developments in both passenger and cargo load factors, improved by 0.4 per cent, thanks to a higher passenger load factor.

Staff and other crew related costs increased mainly due to capacity growth as well as salary and headcount increases.

[2] Fuel price impact including the impact of currencies and hedging

Passenger and handling costs increased, as stronger market demand increased Aurinkomatkat hotel prices.

Sales, marketing and distribution costs increased due to a higher number of passengers. Traffic charges increased more than capacity due to higher navigation and landing charges.

Aircraft materials and overhaul costs decreased thanks to updated USD-based discount rates of maintenance reserves.

Capacity rents, covering purchased traffic from Norra and any wet lease ins, increased due to capacity growth. Property, IT and other expenses increased due to higher IT costs and exchange rate changes.

RESULT IN Q4

EUR million	Q4/2024	Q4/2023	Change %
Comparable EBITDA	**131.3**	**106.9**	**22.9**
Depreciation and impairment	-83.5	-84.3	1.0
Comparable operating result	**47.9**	**22.5**	**112.3**
Items affecting comparability	-35.8	4.7	<-200
Operating result	**12.1**	**27.3**	**-55.6**
Financial income	11.6	15.1	-22.9
Financial expenses	-23.6	-33.5	29.5
Exchange gains and losses	-10.6	7.5	<-200
Result before taxes	**-10.5**	**16.4**	**-164.2**
Income taxes	2.1	43.8	-95.1
Result for the period	**-8.4**	**60.2**	**-113.9**

Comparable EBITDA and comparable operating result both increased, driven by higher revenue, improved passenger load factor and a lower fuel price. Industrial action from early November until mid-December had a negative impact of around 5 million euros on the comparable operating result.

Operating result decreased, primarily due to changes in defined benefit pension plans of -40.2 million euros (0.0). These changes were mainly related to the obligations of Finnair Pension Fund, for which indexation was partially returned based on the precedent issued by the Supreme Administrative Court of Finland. In 2020, Finnair had booked a corresponding positive one-off item of 133 million euros related to the removal of indexation of the obligations of Finnair Pension Fund. Unrealised changes in foreign currencies relating to fleet overhaul provisions were -7.7 million euros (8.4). Other items affecting comparability consisted of fair value changes of derivatives for which hedge accounting is not applied, sales gains or losses and restructuring costs. These items totalled 12.1 million euros (10.0) and were mostly related to positive result impacts from lease buyouts regarding one A321 and one A350 aircraft. No impairments were made during the review period (-13.7). In the comparison period, Finnair recognised an impairment related to lease agreements for a maintenance hangar and its land area situated in the Helsinki airport area.

Net financial expenses increased, primarily due to exchange losses. Income taxes in the comparison period included 18 million euros of re-recognised deferred tax assets related to 2020 and 2021 tax losses that had been written down earlier, as well as 28 million euros of deferred tax assets related to 2022 tax losses. Result for the period turned negative.

Financial performance in 2024

REVENUE IN 2024

Finnair's total revenue increased by 2.0 per cent compared to the previous year, mainly driven by higher ancillary revenue.

Revenue by product

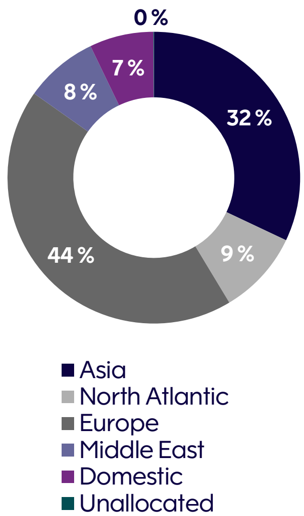
EUR million	2024	2023	Change %
Passenger revenue	2,419.0	2,411.6	0.3
Ancillary revenue	181.8	147.8	23.0
Cargo	205.5	192.0	7.0
Travel services	242.4	237.1	2.3
Total	**3,048.8**	**2,988.5**	**2.0**

Unit revenue (RASK) decreased by 3.6 per cent and amounted to 7.97 cents (8.27). The decrease was caused by lower passenger yields, a lower passenger load factor and normalised revenue recognition related to expired tickets.

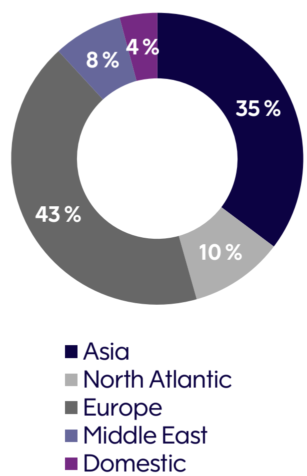
Passenger revenue and traffic data by area

Traffic area	Passenger revenue 2024 MEUR	Passenger revenue 2023 MEUR	ASK 2024 Mill. km	ASK 2023 Mill. km	RPK 2024 Mill. km	RPK 2023 Mill. km	PLF %	PLF Change %-p
Asia	775.1	763.2	13,506.9	12,752.0	10,450.5	9,755.9	77.4	0.9
North Atlantic	225.4	214.9	3,958.1	4,162.9	3,107.4	3,019.7	78.5	6.0
Europe	1,050.0	1,045.3	16,268.7	14,760.0	12,234.8	11,618.9	75.2	- 3.5
Middle East	196.1	206.3	2,944.7	3,054.4	2,134.5	2,211.9	72.5	0.1
Domestic	171.0	172.7	1,580.9	1,425.3	1,073.0	1,019.8	67.9	- 3.7
Unallocated	1.4	9.3						
Total	**2,419.0**	**2,411.6**	**38,259.3**	**36,154.5**	**29,000.2**	**27,626.4**	**75.8**	**- 0.6**

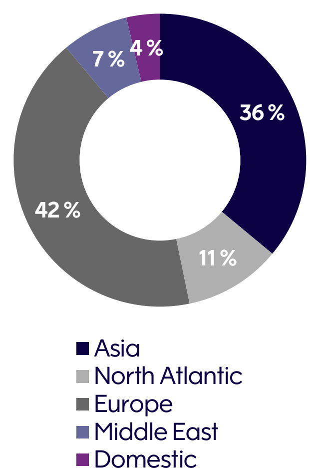
2024 passenger revenue



2024 capacity (ASKs)



2024 traffic (RPKs)



Passenger revenue increased by 0.3 per cent, while traffic capacity, measured in Available Seat Kilometres (ASK), increased by 5.8 per cent. The increase was partly explained by the additional narrow-body capacity that was in Finnair's own, more efficient use since April 2024 after the wet lease outs to British Airways ended in March. The additional capacity was allocated to European and domestic traffic. Including wet lease outs, Available Seat Kilometres increased by 6.8 per cent, driven by the co-operation with Qantas. Growth was slower than expected due to operational reasons and industrial action. The number of passengers increased by 6.1 per cent to 11,654,500 passengers[3]. Traffic, measured in Revenue Passenger Kilometres (RPK), increased by 5.0 per cent, but the passenger load factor (PLF) decreased by 0.6 percentage points to 75.8 per cent.

The distance-based reported traffic figures are based on the great circle distance and, thus, do not reflect the longer Asian routings caused by the closure of the Russian airspace. As a result, they are not fully comparable with the figures prior to the airspace closure. During the period, adjusted ASKs, taking into account the longer sector lengths, would be c. 15 per cent higher than the reported ASKs.

In Asian traffic, ASKs grew by 5.9 per cent due to increased capacity to Japan. RPKs increased by 7.1 per cent and, consequently, the PLF increased by 0.9 percentage points to 77.4 per cent.

In North Atlantic traffic, ASKs decreased by 4.9 per cent due to cut frequencies to many US destinations, while RPKs increased by 2.9 per cent. As a result, the PLF increased by 6.0 percentage points to 78.5 per cent.

[3] The number of passengers and cargo tonnes for January-November 2024 were corrected in December, with a total impact of 59,100 additional passengers and 828.7 additional cargo tonnes for the period.

In European traffic, ASKs grew by 10.2 per cent, as majority of the increase in narrow-body capacity was allocated to routes in Europe. RPKs grew only by 5.3 per cent and, thus, the PLF decreased by 3.5 percentage points to 75.2 per cent.

In Middle Eastern traffic, ASKs decreased by 3.6 per cent, mainly due to temporarily ceased operations to Israel. RPKs decreased by 3.5 per cent and, thus, the PLF increased by 0.1 percentage points to 72.5 per cent.

Domestic traffic capacity increased by 10.9 per cent due to the additional narrow-body capacity allocated to northern routes. RPKs increased by 5.2 per cent and, consequently, the PLF decreased by 3.7 percentage points to 67.9 per cent.

Ancillary revenue increased by 23.0 per cent to 181.8 million euros (147.8), while ancillary revenue per passenger increased by 15.9 per cent to 15.60 euros (13.46). The positive change was mainly explained by the ticket reforms introduced in June 2023, which increased both customers' freedom of choice and ancillary sales. Advance seat reservations, excess baggage and frequent flyer programme-related revenue were the largest ancillary categories.

Revenue cargo tonne kilometres increased by 6.6 per cent and total cargo tonnes by 8.6 per cent. Cargo revenue increased by 7.0 per cent, driven by higher volumes. It should be noted that Finnair reports the cargo traffic figures related to the Qatar Airways cooperation as the operating carrier. However, revenue related to these flights is reported in passenger revenue in full.

Travel services' financial development was supported by higher volumes but burdened by inflation, weaker consumer confidence and limited hotel availability. The total number of travel service passengers increased by 1.0 per cent, while the load factor in allotment-based capacity was 93.4 per cent. Travel service revenue increased by 2.3 per cent to 242.4 million euros (237.1).

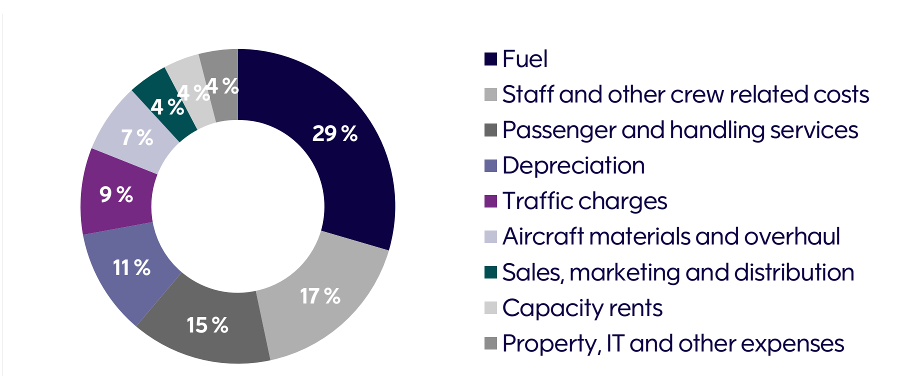
Other operating income increased by 9.4 per cent to 128.0 million euros (117.0) as a result of Qantas wet lease out flights started in Q4 2023.

OPERATING EXPENSES INCLUDED IN COMPARABLE OPERATING RESULT IN 2024

Finnair's operating expenses, included in the comparable operating result, increased by 3.6 per cent, mainly due to higher capacity. In addition, the capacity increase to Asia increased costs, as the closure of Russian airspace in 2022 increased routings by up to 40 per cent. Finnair continued its cost efficiency actions during the year.

Unit cost (CASK) decreased by 2.4 per cent and totalled 7.57 cents (7.76). CASK excluding fuel decreased by 0.6 per cent and amounted to 5.24 cents (5.27). The decrease was driven by increased capacity, lower jet fuel price[4], as well as achieved cost savings.

2024 operating expenses (€3,025.4 million in total) included in comparable operating result



[4] Fuel price impact including the impact of currencies and hedging.

EUR million	2024	2023	Change %
Staff and other crew related costs	518.6	498.1	4.1
Fuel costs	893.0	899.6	-0.7
Capacity rents	111.7	107.2	4.2
Aircraft materials and overhaul	216.9	207.2	4.7
Traffic charges	270.6	233.8	15.7
Sales, marketing and distribution costs	123.0	117.1	5.1
Passenger and handling costs	440.3	414.1	6.3
Property, IT and other expenses	121.7	111.9	8.8
Depreciation	329.5	332.6	-0.9
Total	**3,025.4**	**2,921.5**	**3.6**

Operating expenses included in the comparable operating result, excluding fuel, increased by 5.5 per cent.

Fuel costs, including hedging results and emissions trading costs, decreased by 0.7 per cent thanks to lower jet fuel price, despite increased capacity. Fuel efficiency (as measured in fuel consumption per ASK) weakened by 1.5 per cent. Fuel consumption per RTK, which also accounts for developments in both passenger and cargo load factors, weakened by 1.9 per cent due to a lower passenger load factor.

Staff and other crew-related costs, aircraft materials and overhaul costs, sales, marketing and distribution costs as well as passenger and handling costs increased due to added capacity and a larger number of passengers.

Traffic charges increased more than capacity due to higher navigation and landing charges. Further, some costs were reallocated from passenger and handling costs to traffic charges during the year and, thus, these cost items are not fully comparable.

Capacity rents, covering purchased traffic from Norra and any wet lease ins, increased as a result of growth in capacity and price increases. Property, IT and other expenses increased mainly due to higher IT costs and exchange rate changes.

RESULT IN 2024

EUR million	2024	2023	Change %
Comparable EBITDA	**480.9**	**516.5**	**-6.9**
Depreciation and impairment	-329.5	-332.6	0.9
Comparable operating result	**151.4**	**184.0**	**-17.7**
Items affecting comparability	-37.2	7.5	<-200
Operating result	**114.2**	**191.4**	**-40.3**
Financial income	44.9	56.2	-20.1
Financial expenses	-107.2	-142.2	24.6
Exchange gains and losses	-5.8	13.7	-142.3
Result before taxes	**46.1**	**119.1**	**-61.3**
Income taxes	-9.1	135.2	-106.8
Result for the period	**37.0**	**254.3**	**-85.5**

Finnair's comparable EBITDA and comparable operating result both decreased from the strong comparison period, as operating expenses increased more than revenue, mainly driven by capacity growth.

Operating result decreased, primarily due to changes in defined benefit pension plans of -40.2 million euros (0.0). These changes were mainly related to the obligations of Finnair Pension Fund, for which indexation was partially returned based on the precedent issued by the Supreme Administrative Court of Finland. In 2020, Finnair had booked a corresponding positive one-off item of 133 million euros related to the removal of indexation of the obligations of Finnair Pension Fund. Unrealised changes in foreign currencies relating to fleet overhaul provisions were -6.1 million euros (7.1). Finnair recognised an impairment of 0.7 million euros (13.7) related to lease agreements for a maintenance hangar and its land area situated in the Helsinki airport area. Other items affecting comparability consisted of fair value changes of derivatives for which hedge accounting is not applied, sales gains or losses and restructuring costs. These items totalled 9.8 million euros (14.0) and were mostly related to positive result impacts from lease buyouts regarding one A350 and one A321 aircraft.

Net financial expenses decreased on the back of lower financial expenses, driven by e.g. loan repayments and buy-outs of previously leased aircraft. Income taxes in the comparison year included a total of 117 million euros of re-recognised deferred tax assets related to 2020 and 2021 tax losses that had been written down earlier, as well as 28 million euros of deferred tax assets related to 2022 tax losses. Result for the period was positive, thanks to profitable Q2 and Q3.

Financial position and capital expenditure

BALANCE SHEET

The Group's balance sheet totalled 3,721.0 million euros at the end of December (3,698.0). Fleet book value increased by 167.8 million euros to 1,220.8 million euros (1,053.0) due to the reception of a new A350 aircraft in December and the lease buyouts of one A350 and one A321 aircraft. The right-of-use fleet decreased by 138.8 million euros to 636.2 million euros (775.0) due to depreciation and lease buyouts.

Receivables related to revenue increased by 10.7 million euros to 165.1 million euros (154.4). Net deferred tax assets declined to 221.7 million euros (234.0). Pension assets declined to 95.0 million euros (128.0), as indexation of the obligations of Finnair Pension Fund was partially returned. Pension obligations declined slightly to 0.6 million euros (0.8).

Deferred income and advances received increased by 152.2 million euros to 658.9 million euros (506.7), mainly due to an increase in the unflown ticket liability, which amounted to 525.4 million euros (394.8).

Shareholders' equity increased to 627.1 million euros (577.0), or 3.07 euros per share (2.82[5]), primarily due to the positive result for the year. Shareholders' equity includes a fair value reserve that is affected by changes in the fair values of jet fuel and currency derivatives used for hedging, as well as actuarial gains and losses related to defined benefit plans. The value of the item at the end of December was 61.8 million euros after deferred taxes (48.6). The increase was primarily due to actuarial gains from defined benefit plans.

CASH FLOW AND FINANCIAL POSITION

Cash flow

EUR million	2024	2023
Net cash flow from operating activities	**612.7**	**472.3**
Net cash flow from investing activities	**-286.4**	**-464.0**
Net cash flow from financing activities	**-390.0**	**-676.4**

Net cash flow from operating activities increased, supported by changes in working capital and lower net financial expenses. Net cash flow from investments was negative mainly due to fleet-related investments. Net cash flows from both operating activities and investments were impacted by the transfer of receivables of 57 million euros from a payment processing company from short-term to long-term receivables. Net cash flow from financing activities was also negative, even though Finnair issued a new, unsecured 500-million-euro senior bond maturing in 2029 during the second quarter. Loan repayments, including a repayment of the old, unsecured 400-million-euro senior bond and the remaining 280 million euros of the 600-million-euro pension premium loan, totalled c. 706 million euros. Further, the company made lease liability repayments and paid share issue costs.

Capital structure

%	31 December 2024	31 December 2023
Equity ratio	**16.9**	**15.6**
Gearing	**154.8**	**192.8**

The equity ratio on 31 December 2024 improved compared to the year-end 2023 on the back of a positive result for the period. Gearing declined, thanks to lower interest-bearing net debt.

Liquidity and net debt

EUR million	31 December 2024	31 December 2023
Cash funds	884.0	922.0
Adjusted interest-bearing liabilities	1,854.7	2,034.5
Interest-bearing net debt	**970.7**	**1,112.5**

The company's liquidity at the end of the period remained strong on the back of a good net cash flow from operating activities and limited investments. Further, in April, Finnair agreed on a new secured revolving credit facility[6] of 200 million euros for general corporate purposes. The arrangement was unused at the end of the year and carries a three-year tenor with a one-year extension option.

[5] A reverse split, where every hundred old shares were combined into one new share, was executed during Q1 2024. As the total number of shares decreased accordingly, it had a hundredfold impact on equity per share. The shareholders' equity per share for the comparison period has been restated accordingly.

[6] The financial covenant of the facility is a net debt to EBITDA ratio of 3.75 or less. At the end of the year, Finnair's ratio was 2.0.

Adjusted interest-bearing liabilities decreased from year-end 2023, thanks to loan and lease liability repayments. The share of lease liabilities totalled 1,004.4 million euros (1,115.0).

CAPITAL EXPENDITURE

Gross capital expenditure, excluding advance payments, totalled 463.8 million euros during 2024 (484.2) and was primarily related to fleet investments.

Cash flow from investments (including fixed asset investments and divestments, sublease payments received, advance payments and change in other non-current assets) totalled -290.5 million euros (-403.3). The ECA (Export Credit Agency) financed A350 aircraft received in December is not included in cash flow from investments, as the cash flow related to the acquisition of the aircraft did not go through Finnair, but from the financier to Airbus.

Change in other current financial assets (maturity over three months) totalled 4.1 million euros (-60.7) and is part of the total net cash flow from investments, which amounted to -286.4 million euros (-464.0).

For the financial year 2025, cash flow from investments (including only fixed asset investments and advance payments) relates mainly to the fleet and is expected to total -92 million euros. Investment cash flow includes both committed investments as well as estimates for planned, but not yet committed, investments.

The company has 44 unencumbered aircraft, which account for approximately 38.4 per cent of the balance sheet value of the entire fleet of 1,857.0 million euros.[7]

Shareholder return policy and the Board's proposal for the distribution of profit

The aim of Finnair's shareholder return policy is to pay, on average, one-third of earnings per share as dividend or capital distribution during an economic cycle. When deciding on such distribution, Finnair intends to take into account its earnings trend and outlook, financial situation, as well as capital and investment needs for any given period. Any future distributions may be made in two annual payments.

In connection with the 570-million-euro rights issue implemented in November 2023, Finnair announced that it is targeting to reinstate its ability for shareholder distributions from 2025 onwards based on the 2024 financial statements.

In 2024, earnings per share were 0.18 euros (2.25). Finnair Plc's distributable equity amounted to 634,622,303.69 euros on 31 December 2024. The Board of Directors proposes to the Annual General Meeting that a return of capital of 0.11 euros per share be distributed to shareholders. The return of capital shall be paid in two instalments. The first instalment of 0.06 euros per share shall be paid to a shareholder who is registered in the shareholder register of the company maintained by Euroclear Finland Oy on the record date of 31 March 2025. The payment date proposed by the Board of Directors for this instalment is 7 April 2025. The second instalment of 0.05 euros per share shall be paid in November. It shall be paid to a shareholder who is registered in the shareholder register of the company maintained by Euroclear Finland Oy on the record date, which, together with the payment date, shall be decided by the Board of Directors in its meeting scheduled for 28 October 2025.

Fleet

FINNAIR'S OPERATING FLEET

Finnair's fleet is mainly managed by Finnair Aircraft Finance Oy, a wholly-owned subsidiary of Finnair Plc, and partly by Finnair Plc. At the end of the year, Finnair itself operated 56 aircraft, of which 26 were wide-body and 30 narrow-body aircraft. Finnair took delivery of its 18th A350 aircraft in December. The average age of the fleet operated by Finnair was 13.2 years.

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7 Fleet value includes right of use assets, as well as prepayments of future aircraft deliveries.

Fleet operated by Finnair* 31 Dec 2024	Seats	#	Change from 31 Dec 2023	Own**	Leased	Average age 31 Dec 2024	Ordered
Narrow-body fleet							
Airbus A319	144	5		5	0	23.6	
Airbus A320	174	10		10	0	22.4	
Airbus A321	209	15		8	7	10.4	
Wide-body fleet							
Airbus A330	279	8		4	4	15.2	
Airbus A350	278/321	18	1	7	11	6.8	1
Total		**56**	**1**	**34**	**22**	**13.2**	**1**

* Finnair's Air Operator Certificate (AOC)
** Includes JOLCO-financed (Japanese Operating Lease with Call Option) and ECA (Export Credit Agency) financed aircraft.

FLEET RENEWAL

At the end of the year, Finnair had eighteen A350 aircraft, which were delivered between 2015–2024, and one A350 aircraft on order from Airbus. The last aircraft on order is scheduled to be delivered to Finnair in Q2 2026, but the delivery is likely to be delayed until the second half of 2026. Finnair has successfully completed the rollout of its new 200-million-euro long-haul cabin renewal, with all long-haul aircraft refurbished since Q2 2024.

Finnair's investment commitments for property, plant and equipment, totalling 163 million euros, include the upcoming investments in the wide-body fleet.

FLEET OPERATED BY NORRA (PURCHASED TRAFFIC)

Nordic Regional Airlines (Norra) operates a fleet of 24 aircraft for Finnair on a contract flying basis. All the aircraft operated by Norra are leased from Finnair Aircraft Finance Oy.

Fleet operated by Norra* 31 Dec 2024	Seats	#	Change from 31 Dec 2023	Own	Leased	Average age 31 Dec 2024	Ordered
ATR	68–70	12		6	6	15.4	
Embraer E190	100	12		9	3	16.5	
Total		**24**	**0**	**15**	**9**	**16.0**	

* Nordic Regional Airlines Oy's Air Operator Certificate (AOC)

Strategy implementation

Finnair's current strategy period ends at the end of 2025. An updated strategy will be communicated during 2025.

In Q2 2023, Finnair set a new financial target: comparable operating profit margin of 6% by the end of 2025. The strategy themes to achieve this target are:

- Customer-centric commercial and operational excellence
- Balanced growth supported by optimised fleet
- Continuous cost efficiency to ensure competitiveness
- Among industry sustainability leaders
- Building a sustainable balance sheet
- Adaptable Finnair culture driven by engaged people

In the last quarter of 2023, Finnair carried out a rights issue of 570 million euros. At the same time, the company supplemented its key long-term financial targets. In addition to the previously announced comparable EBIT margin target of 6%, Finnair aims to achieve a net debt of 1–2 times comparable EBITDA by the end of 2025, and to restore the company's ability for shareholder distributions from 2025 onwards.

In Q4 2024, Finnair decided to align its long-term climate ambition with the industry's united objective of achieving net-zero carbon emissions by 2050.

Finnair's long-term financial targets are based on the following key assumptions: the company's overall capacity, measured in Available Seat Kilometres (ASK), would increase by more than 15 per cent from 2023 to 2025; the company's maintenance capex would be 80–100 million euros annually; the company would be able to utilise its recognised deferred tax assets[8], which would limit the corporate tax payable over the medium term; and the company would maintain a cash to sales ratio of 30 per cent over time.

CUSTOMER-CENTRIC COMMERCIAL AND OPERATIONAL EXCELLENCE

Finnair aims to be a modern Nordic airline, providing customers with the ability to tailor their journey at each step of the process as well as to remain relevant outside of the air travel experience. The first step has been to significantly increase the share of direct distribution, improve digital sales capability, and develop revenue optimisation and partner utilisation. The next step is to smooth the process from the customer's perspective by shifting to customer-centric and data-driven sales, strengthening customer relationships by providing the right product at the right time and increasing customer engagement with more targeted sales communications. Safety as well as excellent on-time performance and regularity remain at the core of Finnair's operational quality, and the company invests in the use of analytics and data to provide a smooth and timely travel experience.

The role of digital services is a key part of Finnair's strategy, and its importance will continue to grow. The average monthly number of unique and verified Finnair website visitors in Q4 increased by 38.7 per cent compared to the corresponding period in the previous year and totalled 3.0 million (2.1). The number of active users of the Finnair mobile application increased by 13.7 per cent to 970,000, as customers were able to effect more changes and purchase more ancillaries directly from the app. The share of passengers in Finnair's modern channels[9] grew to 72.2 per cent (67.7), driven by the increasing NDC (New Distribution Capability) share in all customer segments.

The updated strategy still emphasises the utilisation of joint businesses with airline partnerships (Atlantic Joint Business or AJB and Siberian Joint Business or SJB). This highlights the role of oneworld partners, such as American Airlines and Alaska Airlines in North America, Qatar Airways in the Middle East, Japan Airlines on routes to Japan and Qantas on the new routes connecting Australia and Asia which Finnair operates. Finnair's partnerships provide Finnair customers with an extensive global network and, on the other hand, significantly strengthen Finnair's distribution power.

Product and service quality are still differentiating factors for Finnair, in which operative quality plays an important role. Finnair's on-time performance declined to 73.1 per cent (75.0) in Q4, impacted by difficult weather conditions and industrial action. Finnair's long-haul traffic emphasises a high-quality, differentiating travel experience, while smoothness, simplicity and efficiency are key to intra-European traffic. Finnair's Net Promoter Score (NPS) measuring customer satisfaction was still at a good level of 33 (32). NPS has been positively impacted e.g. by the refurbished wide-body aircraft cabin, which has received very positive feedback from Finnair customers, and Finnair's new lounge at Helsinki Airport. Finnair continues to invest in customer experience, next renewing the cabins of the Embraer aircraft used in European traffic. The first refurbished Embraer cabin has been in operation since the end of October. During the winter season 2024–2025, seven more aircraft are renewed.

BALANCED GROWTH SUPPORTED BY OPTIMISED FLEET

Due to the closure of the Russian airspace, Finnair's hub lost its unique geographic advantage, as flying around Russia lengthens the routings between Helsinki and the mega cities in Japan, South Korea and China by up to 40 per cent, depending on the destination. Finnair has therefore re-balanced its network with an emphasis on the West and the Middle East and optimised its European network and traffic structure to increase efficiency.

Through the Qantas wet and dry lease agreements and the cooperation with Qatar Airways, Finnair is able to productively deploy its A330 fleet despite the closure of the Russian airspace, while maintaining flexibility in the near term to restore connectivity between Asia and Europe. In Q3 2024, Finnair agreed with Qatar Airways that the cooperation ends on 15 January 2025 on flights between Stockholm, Copenhagen and Doha, but Finnair continues to offer codeshare flights to Qatar Airways in addition to the flights between Helsinki and Doha it still operates. Finnair is able to productively deploy the two available A330 aircraft starting in January 2025 also in its own network.

Faster, standardised turnarounds at airports, improved aircraft utilisation and aircraft returned from British Airways wet lease outs, as well as the A350 aircraft delivery in Q4 2024 enable Finnair to grow in line with the market and increase capacity at a competitive cost level, despite the capacity constraints prevailing in the aircraft market.

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[8] On 31 December 2024, Finnair had 179 million euros of recognised deferred tax assets related to confirmed tax losses, which would limit payable corporate taxes when utilised.
[9] Modern sales channels include direct as well as modern, digital indirect channels.

CONTINUOUS COST EFFICIENCY TO ENSURE COMPETITIVENESS

Maintaining profitable and competitive operations require Finnair to continuously review its cost levels with a view to containing cost increases. However, the company has moved from programme-based cost reductions towards continuous cost efficiency improvement to ensure its competitiveness and to protect the opportunity to maintain investments in customer experience also in the future.

During the period, Finnair continued to advance existing savings projects and developed new projects that, among other things, utilise opportunities offered by artificial intelligence.

AMONG INDUSTRY SUSTAINABILITY LEADERS

Finnair is committed to continuously and systematically developing its operations in every relevant aspect of sustainability. The company aims to be among the most sustainable airlines in the world. To achieve this, the company must perform visible and effective acts of social and environmental sustainability, as well as cooperate closely with its partners and supply chain. To invest more sustainably, the company must also ensure that the economic development of its business supports such investments.

In October 2024, Finnair redefined its climate commitments and set a new science-based target to reduce its carbon emissions intensity (CO2e/RTK) by 34.5 per cent by 2033 from a 2023 baseline. The Science Based Targets initiative (SBTi) has validated the company's target. Translated to absolute CO2e emissions, the target equates to a reduction of approximately 13 per cent in CO2e emissions using the parameters that have been established for the period.

SBTi requires airlines to decarbonise within their own operations, and Finnair's toolkit to reaching the target is comprised of investing in sustainable aviation fuels (SAF) beyond regulatory requirements, further improving operational efficiency, optimising its network, and eventually updating its fleet renewal plan. Increasing the use of SAF accounts for over half of the targeted CO2e reduction for Finnair.

In November 2024, Finnair launched a new feature in the flight booking system, whereby customers have the possibility to make a SAF contribution when booking their flights on Finnair's website or through the Finnair app.

In connection with setting the new SBTi target, Finnair reviewed its long-term climate target of achieving carbon neutrality by 2045. After careful consideration, the company decided to align its long-term climate ambition with the industry's united objective of achieving net-zero carbon emissions by 2050.

Social responsibility is a key component of the company's sustainability work. This means taking care of the safety and health of its employees and customers in all circumstances, promoting human rights, equality, non-discrimination, and diversity in the workplace and in the company's value chain, and offering accessible services.

BUILDING A SUSTAINABLE BALANCE SHEET

In building a sustainable balance sheet, it is essential to maintain the achieved business profitability. This strengthens equity and improves cash flows, which enables debt repayment and – together with continuous cost efficiency – builds a sustainable balance sheet. This strategy theme is also incorporated into other strategy themes.

During the fourth quarter, Finnair's financial position continued to strengthen, as its net cash flow from operating activities improved compared to the same period in the previous year. In addition, Finnair purchased one A350 and one A321 aircraft that had previously been leased.

ADAPTABLE FINNAIR CULTURE DRIVEN BY ENGAGED PEOPLE

Throughout Finnair's 100-year history, the company and its employees have demonstrated a remarkable ability to adapt to changing circumstances and find new, previously untapped opportunities. This has been particularly highlighted during and after the twin crises caused by the pandemic and Russia's attack on Ukraine, followed by the closure of Russian airspace. Going forward, the company will focus even more on nurturing and developing this cultural strength and will invest in its people to further improve employee competence, employee and customer experience, and business results.

Finnair recorded an average employment of 5,579 people in Q4 2024 (5,195), continuing with solid growth of 7.4 per cent compared to the corresponding period last year. Total headcount was 5,587 at the end of December (5,223), indicating a 7.0 per cent growth during the year but flat development compared to the end of Q3. Finnair successfully hired 103 new employees, primarily personnel in the Operations business unit. Both attrition rate and absences due to illness declined compared to the same period last year. Attrition rate was 2.5 per cent[10] (3.7) and absences due to illness 4.4 per cent (4.9). LTIF (Lost-time Injury Frequency) developed positively, reaching 4.7 (5.1).

Sustainability and corporate responsibility

Economic, social and environmental aspects have for a long time been integral to Finnair's overall business strategy and operations. Finnair is a responsible global citizen and responds to its stakeholders' needs, including those concerned with corporate sustainability. Strength in sustainability is important in order to stay relevant and to be able to run a long-lasting and successful business. As certain global challenges become more difficult to address, companies need to step up and actively contribute to the United Nations Sustainable Development Goals (SDG).

The company has identified six SDGs where it is expected to act and can make a significant impact.

SDG 5: Gender equality
SDG 9: Industry, innovation and infrastructure
SDG 12: Responsible consumption and production
SDG 13: Climate action
SDG 16: Peace, justice and strong institutions
SDG 17: Partnerships for the goals

The biggest expectations towards Finnair are with respect to reducing the CO2 emissions of its flights. Finnair's vision for the future is to accelerate the transition of aviation away from fossil fuels. As a first step, Finnair has set an emissions efficiency target for the next ten years to limit global warming to 1.5 degrees, as agreed in the Paris Agreement. This target entails a 34.5 per cent reduction in flight-related emissions, measured as CO2e/RTK (Revenue Tonne Kilometers). This target has been validated by SBTi and reflects the company's commitment to contribute to global climate objectives. Finnair is also fully committed to the sector's collective goal of achieving net-zero carbon emissions in commercial air traffic by 2050. This ambitious target has been established by both the United Nations' International Civil Aviation Organization (ICAO) and the International Air Transport Association (IATA).

Finnair's sustainability is reflected in its strategy and vision, as well as its values of commitment to care, simplicity, courage and working together. Its sustainability strategy is embedded into the group strategy, brand, operations and product development. The strategy measures contribute to cost containment and risk mitigation as well as value creation.

Finnair's ethical business principles are outlined in its Code of Conduct. The Code applies to all Finnair personnel and all locations. Finnair requires that its suppliers comply with ethical standards essentially similar to those with which Finnair complies in its own operations. Finnair's Supplier Code of Conduct provides principles to ensure ethical purchasing, including zero tolerance for corruption.

Safety has the highest priority in Finnair operations. Finnair is committed to implementing, maintaining and constantly developing strategies and processes to ensure that all its aviation activities take place with an appropriate allocation of organisational resources. This is to achieve the highest level of safety performance and compliance with the regulatory requirements while delivering our services.

The key performance indicators for corporate sustainability are presented in the Key Performance Indicators table of this financial statements release.

Changes in company management

On 11 January 2024, Finnair announced that it has appointed Turkka Kuusisto as CEO of Finnair. He started in this role on 24 April 2024. Kuusisto joined Finnair from Posti Group Corporation, where he served as the CEO since 2020. Prior to his CEO role at Posti Group Corporation, Kuusisto served in senior leadership positions at Posti Group Corporation and at Lindorff Group. Finnair's previous CEO Topi Manner left the company on 15 January 2024 to later take on the role of CEO at Elisa Corporation. Jaakko Schildt, Chief Operating Officer of Finnair, acted as an interim CEO between 15 January and the start of the new CEO.

Finnair appointed Simon Large (BA) as Chief Customer Officer as of 1 October 2024 and Christine Rovelli (MBA) as

[10] Since the beginning of 2024, attrition rate calculation has been based on the total number of employees instead of the number of employees actively employed.

Chief Revenue Officer as of 10 September 2024. Finnair's Chief Commercial Officer Ole Orvér left his position in Finnair Executive Board and worked as executive advisor at Finnair until 31 December 2024. As of 10 September 2024, Finnair also appointed Jaakko Schildt, Chief Operating Officer as Deputy to the CEO (Chief Executive Officer), and Chief Information Officer Antti Kleemola as Chief Digital Officer. At the same time, Finnair's Strategy function moved under the responsibility of Chief Financial Officer Kristian Pullola.

Share price development and trading

Finnair Plc's market capitalisation was 452.9 million euros (815.1) at the end of December, and the closing price of the share was 2.21 euros (3.98). During 2024, the highest price for the Finnair Plc share on the Nasdaq Helsinki was 4.04 euros (10.03), the lowest price 2.08 euros (3.04) and the average price 2.72 euros (6.36). The share prices have been restated due to the reverse split executed on 20 March 2024 to make them comparable.
Some 1,497 million company shares, with a total value of 195.8 million euros, were traded on the Nasdaq Helsinki exchange.

The number of Finnair Plc shares recorded in the Trade Register was 204,811,392 at the end of the period (20,481,139,267). The decrease was explained by the reverse split carried out in March. The Finnish state owned 55.7 per cent (55.7) of Finnair's shares, while 9.1 per cent (9.5) were held by foreign investors or in the name of a nominee at the end of the period.

Own shares

On 31 December 2023, Finnair held 49,565,650 treasury shares, representing 0.24 per cent of the total number of shares and votes.

On 4 March 2024, Finnair transferred a total of 9,419,258 own shares to participants of the Employee Share Savings Plan FlyShare.

Finnair's Annual General Meeting resolved on 18 March 2024 on a reverse split and on a related redemption of shares so that after carrying out the reverse split, every 100 shares correspond to one share. Concurrently with the execution of the reverse split, Finnair implemented a directed share issue without consideration resolved by the Annual General Meeting in which the company issued a total of 4,714,922 treasury shares held by the company to make the number of shares in each book-entry account holding Finnair's shares divisible by 100.

On 23 April 2024, Finnair transferred without consideration 54,233 own shares as a reward for the rebuild incentive plan's performance period 1 July 2020 - 30 June 2023 to the members of the Executive Board who were participants in these plans. The transfer of the shares was based on the authorisation given by the Annual General Meeting 2024.

On 13 December 2024, Finnair transferred without consideration 43,798 own shares as a reward for the rebuild incentive plan's performance period 1 July 2020 - 30 June 2023 to the members of the Executive Board who were participants in these plans. The transfer of the shares was based on the authorisation given by the Annual General Meeting 2024.

On 31 December 2024, Finnair held 256,284 treasury shares, representing 0.1 per cent of the total number of shares and votes.

Effective authorisations granted by the Annual General Meeting 2024

Finnair's Annual General Meeting was held in Helsinki on 18 March 2024.

The AGM authorised the Board of Directors to decide on the repurchase and/or on the acceptance as pledge of the company's own shares as follows. The number of own shares to be repurchased and/or accepted as pledge based on the authorisation shall not exceed 730,000,000 shares, or 7,300,000 shares after the reverse split, which corresponds to approximately 3.6 per cent of all the shares in the company. Only the unrestricted equity of the Company can be used to repurchase own shares on the basis of the authorisation. The authorisation is effective for a period of 18 months from the resolution of the AGM. Due to the resolution by the Annual General Meeting on the reverse split, the number of own shares to be repurchased and/or accepted as pledge based on the authorisation shall not exceed 7,300,000 shares after the reverse split.

The AGM authorised the Board of Directors to decide on the issuance of shares as follows. The number of shares to be issued based on the authorisation shall not exceed 120,000,000 shares, or at maximum 1,200,000 shares after the reverse split, which corresponds to approximately 0.6 per cent of all the shares in the company. The authorisation is effective for a period of 18 months from the resolution of the AGM and cancels the authorisation given by the Extraordinary General Meeting on 27 October 2023 to decide on issuance of shares.

The AGM authorised the Board of Directors to decide on donations up to an aggregate maximum of EUR 250,000 for public-benefit or corresponding purposes and on the recipients, purposes and other terms and conditions of the donations. The donations can be made in one or multiple instalments. The authorisation is effective until the next Annual General Meeting.

The resolutions of the AGM are available in full on the company's website https://investors.finnair.com/en/governance/general-meetings/agm-2024.

Significant risks and uncertainties

In the implementation of its strategy and business, Finnair is faced with various risks and opportunities. Finnair has a comprehensive risk management process to ensure that risks are identified and mitigated as much as possible, although many risks are not within the company's full control. The risks and uncertainties described below are considered as potentially having a significant impact on Finnair's business, financial result or future outlook at least for the next 12 months. This list is not intended to be exhaustive.

Flight safety is the highest priority in Finnair's business. The company manages aviation safety risks through a safety management system developed in accordance with the industry's best practices, which is regulated and supervised by the authorities. General news coverage related to flight safety may affect customers' perceptions of flight safety, and this may have a negative impact on airlines' business, including Finnair.

Factors such as geopolitical uncertainty, the threat of trade wars, the threat of terrorism and cyber-attacks, as well as other potential external disruptions may, if they materialise, significantly affect Finnair's operations. Geopolitical tensions may have an adverse effect on the global economic environment, and on Finnair's network and profitability. The war in Ukraine has already significantly impacted the global trade in the form of sanctions and countersanctions, and as regards to civil aviation, closures of the airspace. Cyber-attacks and other potential external disruptions, a possible escalation of the war and unrest in conflict areas in the Middle East may have adverse effects on, for example, the demand for air travel, fuel prices, availability and pricing of insurances, the flight network and the use of airspace. Their negative impact on Finnair's operating result and financial position depends on the company's ability to adjust its route network, costs, revenue generating sources and financing in the new operating environment.

Macroeconomic factors continue to be a key driver of air transportation demand, as there has historically been a strong correlation between air travel and the development of macroeconomic factors, such as GDP. Due to this correlation, aviation is an industry that is highly sensitive to global economic cycles and reacts quickly to external disruptions, seasonal variations and economic trends, as the global Covid-19 pandemic and the war in Ukraine have demonstrated. The recovery of business travel to pre-Covid-19 levels is likely to be affected by the adoption of virtual and teleconferencing tools.

Factors beyond Finnair's control are related to the duration of the Russian airspace closure, resource challenges in the European aviation system caused by the pandemic, as well as the recovery of demand for air travel. In addition, other general risk factors in the industry and business, such as the fluctuation of jet fuel prices and its weakened supply, fluctuation in demand for air travel in general, and fluctuations in currency exchange rates, as well as regulatory and tax changes are also beyond Finnair's control. Other general macroeconomic conditions, such as deterioration in business or consumer confidence, changing customer preferences or employment levels, lower availability of credit, rising interest rates, a rise in prevailing high inflation, a recession, or changes in taxation may have an adverse impact on private consumption and, consequently, on the demand for air travel. The key factors affecting revenue and operating result, which Finnair can partially affect, are operating costs and the volume of production.

As jet fuel costs are the largest variable expense item for Finnair, jet fuel price development has a material effect on the company's profitability. Fuel price fluctuations may result in increased uncertainty around Finnair's financial performance and cash flow. Jet fuel prices have historically fluctuated significantly, and fluctuations are expected to continue in the future due to e.g. the impacts of the war in Ukraine. Finnair's ability to pass on the increased costs of jet fuel to its customers by increasing fares is limited by the fierce competition in the airline industry. Finnair's jet fuel costs are also subject to foreign exchange rate risk, as international prices for jet fuel are denominated in U.S.

dollars. The residual effect of jet fuel price fluctuations is determined by the hedges in use at a given point in time. Increasing jet fuel costs, disruptions in fuel supplies and ineffective hedging in relation to changes in market prices may result in increased expenses, which may have a material adverse effect on Finnair's business, financial result or future outlook. Derivatives used to hedge against adverse price movements in jet fuel may prove to be inefficient, resulting in an increased jet fuel price in relation to market prices. The volatile market impacts the pricing and availability of hedging instruments. Finnair manages risks related to fuel costs in accordance with the current risk management policy.

Capacity increases, product improvements or more aggressive pricing among Finnair's existing or new competitors may have an effect on the demand for, and yield of, Finnair's services. Competition in the airline industry is intense, and the market situation is continuously changing, as new entrants and/or alliances expand, industry participants consolidate and airlines form marketing or operational alliances, which might gain competitive advantage over Finnair's oneworld alliance or its joint businesses.

Finnair, like other airlines, strives to distribute its services in increasingly versatile and flexible ways and at a lower cost by adopting and utilising new distribution technologies and channels, including a transition towards differentiation of fare content and availability between channels. The ability to capitalise on the commercial possibilities provided by these technologies is dependent on, among others, Finnair's partners to develop and implement such applications as well as Finnair's ability to generate products and services that best correspond to customer needs. Hence, the introduction of new digital distribution technologies and channels involves implementation, as well as commercial, risks.

The aviation industry is affected by a number of regulatory trends. Estimating the exact impacts of regulatory changes on airlines' operational activities and/or costs in advance is difficult. Examples of such regulatory trends include regulation related to emissions trading, noise regulation and other environmental regulation, as well as regulation on privacy and consumer protection.

Finnair is exposed to the risk of operating losses from natural events, pandemics or health epidemics and weather-related events influencing operating costs and revenue. Outbreaks of epidemics or pandemics can adversely affect the demand for air travel and have a significant effect on Finnair's operations. Further, natural hazards arising from climate change, such as increased extreme weather conditions, including substantial snowfall, atmospheric turbulence, earthquakes, hurricanes, typhoons, or severe thunderstorms, may result in substantial additional costs for Finnair. Such weather conditions may, for example, lead to flight cancellations, increased waiting times, increased fuel consumption or higher costs associated with aircraft de-icing, which could result in additional costs for Finnair and thus have an adverse effect on Finnair's results and financial condition.

In a changing aviation business environment, it is difficult to predict the impact that potential changes in the geopolitical situation may have on airline market access and traffic right opportunities in general. Potentially increasing protectionism in the political environment may have an adverse impact on the market access required for the implementation of Finnair's strategy. At the same time, it is possible that connectivity needs increase in some countries, leading to increasing market access opportunities and new traffic rights.

The transport industry, including commercial aviation, is vulnerable to industrial action. Depending on their timing, duration and scope, strikes and other industrial action in Finland and elsewhere may have a significant adverse impact on Finnair's operations and result.

Seasonal variation and sensitivities in business operations

Due to the seasonality of the airline business, the Group's revenue and result are generally at their lowest in the first quarter and at their highest in the third quarter of the year.

In addition to operational activities and market conditions, fuel price development has a key impact on Finnair's result, as fuel costs are the company's most significant variable expense item. Finnair's foreign exchange risk arises primarily from fuel and aircraft purchases, aircraft divestments, aircraft lease payments, aircraft maintenance and foreign currency revenue. Significant dollar-denominated expense items are e.g. fuel costs and aircraft lease payments. The largest investments, namely the acquisition of aircraft and related spare parts, are also mainly denominated in US dollars. The most significant income currencies after the euro are the US dollar, the Japanese yen, the South Korean won, the Swedish krona, the UK pound, and the Norwegian krona.

The company hedges its currency, interest rate and jet fuel exposure using a variety of derivative instruments, such as forward contracts, swaps and options, in compliance with the risk management policy approved annually by the Board of Directors. Finnair hedges its fuel purchases 18 months forward on a rolling basis. The maximum hedging ratio for the first 3-month period is 93 per cent, while the lower limit is 68 per cent and the average hedging ratio approximately 80 per cent. The hedging ratio decreases towards the end of the 18-month hedging period.

Sensitivities in business operations, impact on comparable operating result (rolling 12 months from date of financial statements)	**1 percentage point change**
Passenger load factor (PLF, %)	EUR 37 million
Average yield of passenger traffic	EUR 26 million
Unit cost (CASK excl. fuel)	EUR 22 million

Fuel sensitivities (rolling 12 months from date of financial statements)	**10% change without hedging**	**10% change, taking hedging into account**
Fuel	EUR 76 million	EUR 37 million

Fuel hedging and average hedged price (rolling 18 months from date of financial statements)	**Hedged fuel, tonnes***	**Average hedge price, USD/ton* ****
Q1 2025	216,000	795
Q2 2025	198,000	790
Q3 2025	162,000	789
Q4 2025	96,000	763
Q1 2026	60,000	743
Q2 2026	24,000	748
Total	**756,000**	**783**

* Based on the hedged period, i.e., not hedging related cash flow
** Average of swaps and bought call options strikes

Currency distribution, %	**Q4 2024**	**Q4 2023**	**2024**	**2023**	**Currency sensitivities USD and JPY** (rolling 12 months from date of financial statements for operational cash flows)		**Hedging ratio for operational cash flows** (rolling next 12 months)
Sales currencies					10% change without hedging	10% change taking hedging into account	
EUR	62	58	59	59	-	-	-
USD*	8	10	10	9	see below	see below	see below
JPY	4	4	5	4	EUR 15 million	EUR 6 million	56%
KRW	2	3	3	3	-	-	-
SEK	4	4	4	3	-	-	-
GBP	4	4	4	4	-	-	-
NOK	2	3	2	3	-	-	-
Other	14	14	14	14	-	-	-
Purchase currencies							
EUR	60	65	58	60	-	-	-
USD*	33	29	35	34	EUR 70 million	EUR 30 million	58%
Other	7	6	6	6	-	-	-

* Hedging ratio and sensitivity analysis for USD basket, which consists of net cash flows in USD and HKD. The sensitivity analysis assumes that the correlation of the Hong Kong dollar with the US dollar is strong.

HEDGING OF FOREIGN CURRENCY EXPOSURE IN BALANCE SHEET

Finnair's balance sheet includes asset-related foreign currency exposure due to the recognition of the present value of qualifying operating lease liabilities in the balance sheet as right-of-use assets. Unrealised foreign exchange losses/gains caused by the translation of the USD denominated liability have an impact on Finnair's net result. In the future, the effect and amount of foreign currency exchange could be positive or negative, depending on the USD-rate at the closing date. Finnair has mitigated the foreign exchange volatility introduced by this difference by using derivatives, as well as by partly investing liquidity in foreign currency money market funds or other financial assets where possible. The annual effect in net result going forward is dependent on the size of the qualifying operating lease portfolio, the duration of the leases and hedging ratio. At the end of December, the hedging ratio of USD denominated interest-bearing liabilities (including IFRS 16) was approximately 90 per cent.

Events after the review period

On 7 February 2025, Finnair announced that it will start change negotiations with its pilots to discuss the possible need for personnel reductions that may arise if the ongoing industrial action by pilots leads to changes in Finnair's cooperation agreement with a partner carrier. Negotiations started on 12 February to discuss a possible reduction or furlough of a maximum of 90 pilots. The negotiations also discuss a plan to introduce the established stand-by practice into pilots' employment contracts, as the Finnish Transport Pilots' Association (SLL) has announced its reluctance to collectively agree on stand-by duty in a collective agreement.

Financial reporting in 2025

The publication dates of Finnair's financial reports in 2025 are the following:

- Interim Report for January–March 2025 on Tuesday 29 April 2025
- Half-year Report for January–June 2025 on Wednesday 16 July 2025
- Interim Report for January–September 2025 on Thursday 30 October 2025

FINNAIR PLC
Board of Directors

Briefings

Finnair will hold a results press conference (in Finnish) on 13 February 2025 at 11:00 a.m. Finnish time at its office at Tietotie 9 in Vantaa, Finland. It is also possible to participate in the press conference via a live webcast at https://finnairgroup.videosync.fi/2025-02-13-media.

An English-language telephone conference and webcast will begin on 13 February 2025 at 1:00 p.m. Finnish time. To access the conference, kindly register at https://palvelu.flik.fi/teleconference/?id=5007331. After the registration, you will be provided with phone numbers and a conference ID. To join the live webcast, please register at https://finnairgroup.videosync.fi/q4-2024.

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Key performance indicators

EUR in millions, unless otherwise indicated	Q4 2024	Q4 2023	Change %	2024	2023	Change %
Revenue and profitability						
Revenue	782.9	727.2	7.7	3,048.8	2,988.5	2.0
Comparable operating result	47.9	22.5	112.3	151.4	184.0	-17.7
Comparable operating result, % of revenue	6.1	3.1	3.0 %-p	5.0	6.2	-1.2 %-p
Operating result	12.1	27.3	-55.6	114.2	191.4	-40.3
Comparable EBITDA, % of revenue	16.8	14.7	2.1 %-p	15.8	17.3	-1.5 %-p
Earnings per share (EPS), basic, EUR	-0.04	0.41	-110.0	0.18	2.25	-92.0
Earnings per share (EPS), diluted, EUR	-0.04	0.41	-109.9	0.18	2.19	-91.8
Unit revenue per available seat kilometre (RASK), cents/ASK	8.38	8.04	4.3	7.97	8.27	-3.6
Unit revenue per revenue passenger kilometre (yield), cents/RPK	8.56	8.66	-1.2	8.34	8.73	-4.4
Unit cost per available seat kilometre (CASK), cents/ASK	7.87	7.79	1.0	7.57	7.76	-2.4
CASK excluding fuel, cents/ASK	5.53	5.33	3.6	5.24	5.27	-0.6
Capital structure						
Equity ratio, %	-	-	-	16.9	15.6	1.3 %-p
Gearing, %	-	-	-	154.8	192.8	-38.0 %-p
Interest-bearing net debt	-	-	-	970.7	1,112.5	-12.7
Interest-bearing net debt / Comparable EBITDA, LTM	-	-	-	2.0	2.2	-6.3
Gross capital expenditure	320.8	268.6	19.4	463.8	484.2	-4.2
Return on capital employed (ROCE), LTM, %	-	-	-	6.2	8.8	-2.5 %-p
Cash to sales, LTM, %	-	-	-	29.0	30.9	-1.9 %-p
Traffic						
Passengers, 1,000	2,848	2,611	9.1	11,654	10,983	6.1
Flights, number	27,990	25,702	8.9	111,722	101,201	10.4
Available seat kilometres (ASK), million	9,342	9,048	3.3	38,259	36,154	5.8
Revenue passenger kilometres (RPK), million	7,140	6,615	7.9	29,000	27,626	5.0
Passenger load factor (PLF), %	76.4	73.1	3.3 %-p	75.8	76.4	-0.6 %-p
Available seat kilometres incl. wet lease out, million	10,004	9,613	4.1	40,830	38,230	6.8
Customer-centric commercial and operational excellence						
Net Promoter Score (NPS)	33	32	2.8	37	35	4.1
On-time performance, %	73.1	75.0	-1.9 %-p	75.4	80.9	-5.5 %-p
Share of passengers in modern channels, %	72.2	67.7	4.5 %-p	70.5	67.8	2.6 %-p
Average number of monthly visitors at finnair.com, millions	3.0	2.1	38.7	2.8	2.1	30.4
Active users for Finnair mobile app, thousands	970	853	13.7	1,057	860	22.9
Ancillary revenue	52.3	43.8	19.4	181.8	147.8	23.0
Ancillary revenue per passenger, EUR	18.35	16.76	9.5	15.60	13.46	15.9
Among industry sustainability leaders						
Jet fuel consumption, tonnes	253,562	242,382	4.6	1,031,296	960,357	7.4
Flight CO_2 emissions, tonnes	798,720	763,505	4.6	3,248,584	3,025,124	7.4
Flight CO_2 emissions, g/ASK	85.5	84.4	1.3	84.9	83.7	1.5
Flight CO_2 emissions, g/RTK	930.9	935.0	-0.4	938.1	920.5	1.9
Adaptable Finnair culture driven by engaged people						
Average number of employees	5,579	5,195	7.4	5,533	5,195	6.5
Absences due to illness, %	4.4	4.9	-0.5 %-p	4.2	4.6	-0.4 %-p
Lost-time injury frequency (LTIF)	4.7	5.1	-7.5	5.4	5.5	-0.6
Attrition rate, LTM, %	-	-	-	2.5	3.7	-1.2 %-p

PERFORMANCE INDICATORS CLASSIFIED AS ALTERNATIVE PERFORMANCE MEASURES

Finnair uses alternative performance measures (APM) referred to in the European Securities Markets Authority (ESMA) guidelines to describe its operational and financial performance in order to enhance comparability between financial periods and to enable better comparability relative to its industry peers. The alternative performance measures do not replace IFRS indicators.

Alternative performance measures	Calculation	Reason to use the measure
Items affecting comparability	Unrealised changes in foreign currencies of fleet overhaul provisions + Fair value changes of derivatives where hedge accounting is not applied + Sales gains and losses on aircraft and other transactions + Impairment + Changes in defined benefit pension plans + Restructuring costs	Component used in calculating comparable operating result.
Comparable operating result	Operating result - Items affecting comparability	Comparable operating result is presented to better reflect the Group's business performance when comparing results to previous periods.
Comparable operating result, % of revenue	Comparable operating result / Revenue x 100	Comparable operating result is presented to better reflect the Group's business performance when comparing results to previous periods.
Comparable EBITDA	Comparable operating result + Depreciation	Comparable EBITDA is presented to better reflect the Group's business performance when comparing results to previous periods. Comparable EBITDA is a common measure in airline business which aims to reflect comparable operating result excluding capital cost.
Comparable EBITDA, % of revenue	Comparable EBITDA / Revenue x 100	Comparable EBITDA is presented to better reflect the Group's business performance when comparing results to previous periods. Comparable EBITDA is a common measure in airline business which aims to reflect comparable operating result excluding capital cost.
Equity ratio, %	Equity total / Equity and liabilities total x 100	Equity ratio provides information on the financial leverage used by the Group to fund its assets.
Adjusted interest-bearing liabilities	Lease liabilities + Other interest-bearing liabilities + Cross currency interest rate swaps in derivative financial instruments	Component used in calculating gearing.
Cash funds	Cash and cash equivalents + Other financial assets	Component used in calculating gearing. Cash funds represent the total amount of financial assets that are available for use within short notice. Therefore, cash funds provide the true and fair view of the Group's financial position.
Interest-bearing net debt	Adjusted interest-bearing liabilities - Cash funds	Interest-bearing net debt provides view of the Group's total external debt financing.
Gearing, %	Interest-bearing net debt / Equity total x 100	Gearing provides view of the level of the Group's indebtedness.
Interest-bearing net debt / Comparable EBITDA, LTM	Interest-bearing net debt / Comparable EBITDA, for the last twelve months	The ratio provides information on the Group's leverage by comparing the Group's net debt to the amount of income generated before covering interest, taxes and depreciation.
Gross capital expenditure	Additions in fixed assets + New contracts in right-of-use assets + Reassessments and modifications in right-of-use assets	Gross capital expenditure provides information on the Group's capitalised investments and lease modifications.
Return on capital employed (ROCE), LTM, %	(Result before taxes + Financial expenses + Exchange rate gains and losses, for the last twelve months) / (Equity total + Lease liabilities + Other interest-bearing liabilities, average of reporting period and comparison period)	The ratio provides a view to monitor the return of capital employed.
Cash to sales, LTM, %	Cash funds / Revenue for the last twelve months x 100	The ratio provides information about the Group's liquidity in terms of available cash as a percentage of its sales.

RECONCILIATION OF PERFORMANCE INDICATORS CLASSIFIED AS ALTERNATIVE PERFORMANCE MEASURES

Items affecting comparability EUR in millions	Q4 2024	Q4 2023	Change %	2024	2023	Change %
Operating result	**12.1**	**27.3**	**-55.6**	**114.2**	**191.4**	**-40.3**
Unrealized changes in foreign currencies of fleet overhaul provisions	7.7	-8.4	192.1	6.1	-7.1	185.9
Fair value changes of derivatives where hedge accounting is not applied	-0.1	0.3	-131.2	1.5	-0.7	> 200
Sales gains and losses on aircraft and other transactions	-12.0	-10.3	-16.3	-12.0	-13.3	9.4
Impairment	-	13.7	-100.0	0.7	13.7	-94.5
Changes in defined benefit pension plans	40.2	-	-	40.2	-	-
Restructuring costs	-	-0.0	100.0	0.8	-0.1	> 200
Comparable operating result	**47.9**	**22.5**	**112.3**	**151.4**	**184.0**	**-17.7**
Depreciation	83.5	84.3	-1.0	329.5	332.6	-0.9
Comparable EBITDA	**131.3**	**106.9**	**22.9**	**480.9**	**516.5**	**-6.9**

Equity ratio EUR in millions, unless otherwise indicated	2024	2023	Change %
Equity total	627.1	577.0	8.7
Equity and liabilities total	3,721.0	3,698.0	0.6
Equity ratio, %	**16.9**	**15.6**	**1.3 %-p**

Gearing, interest-bearing net debt and interest-bearing net debt / Comparable EBITDA, LTM EUR in millions, unless otherwise indicated	31 Dec 2024	31 Dec 2023	Change %
Lease liabilities	1,004.4	1,115.0	-9.9
Other interest-bearing liabilities	860.8	910.6	-5.5
Cross currency interest rate swaps*	-10.5	8.9	<-200
Adjusted interest-bearing liabilities	**1,854.7**	**2,034.5**	**-8.8**
Other financial assets	-664.9	-776.8	14.4
Cash and cash equivalents	-219.1	-145.1	-51.0
Cash funds	**-884.0**	**-922.0**	**4.1**
Interest-bearing net debt	**970.7**	**1,112.5**	**-12.7**
Equity total	627.1	577.0	8.7
Gearing, %	**154.8**	**192.8**	**-38.0 %-p**
Comparable EBITDA, LTM	480.9	516.5	-6.9
Interest-bearing net debt / Comparable EBITDA, LTM	**2.0**	**2.2**	**-6.3**

* Cross-currency interest rate swaps are used for hedging the currency and interest rate risk of interest-bearing loans, but hedge accounting is not applied. Changes in fair net value correlate with changes in the fair value of interest-bearing liabilities. Therefore, the fair net value of cross-currency interest rate swaps recognised in derivative assets/liabilities and reported in notes 10 and 11, is considered an interest-bearing liability in the net debt calculation.

Gross capital expenditure EUR in millions	Q4 2024	Q4 2023	Change %	2024	2023	Change %
Additions in fixed assets	315.2	252.3	25.0	419.7	409.4	2.5
New contracts in right-of-use assets	0.6	16.2	-96.3	13.9	24.3	-42.7
Reassessments and modifications in right-of-use assets	4.9	0.2	> 200	30.2	50.5	-40.2
Gross capital expenditure	**320.8**	**268.6**	**19.4**	**463.8**	**484.2**	**-4.2**

Return on capital employed (ROCE), LTM EUR in millions, unless otherwise indicated	31 Dec 2024	31 Dec 2023	Change %
Result before taxes, LTM	46.1	119.1	-61.3
Financial expenses, LTM	107.2	142.2	-24.6
Exchange rate gains and losses, LTM	5.8	-13.7	142.3
Return, LTM	**159.1**	**247.6**	**-35.7**
Equity total	627.1	577.0	8.7
Lease liabilities	1,004.4	1,115.0	-9.9
Other interest-bearing liabilities	860.8	910.6	-5.5
Capital employed	**2,492.3**	**2,602.5**	**-4.2**
Capital employed, average of reporting period and comparison period	**2,547.4**	**2,821.2***	**-9.7**
Return on capital employed (ROCE), LTM, %	**6.2**	**8.8**	**-2.5 %-p**

* Capital employed accounted was EUR 3,039.8 million as at 31 Dec 2022.

Cash to sales, LTM EUR in millions, unless otherwise indicated	31 Dec 2024	31 Dec 2023	Change %
Other financial assets	664.9	776.8	-14.4
Cash and cash equivalents	219.1	145.1	51.0
Cash funds	**884.0**	**922.0**	**-4.1**
Revenue, LTM	3,048.8	2,988.5	2.0
Cash to sales, LTM, %	**29.0**	**30.9**	**-1.9 %-p**

OTHER PERFORMANCE INDICATORS

Revenue and profitability	
Earnings per share (EPS), basic	(Result for the period - Hybrid bond and capital loan expenses net of tax) / Average number of outstanding shares during the period
Earnings per share (EPS), diluted	(Result for the period - Hybrid bond and capital loan expenses net of tax) / Average number of outstanding shares during the period taking into account the diluting effect resulting from changing into shares all potentially diluting shares
Unit revenue per available seat kilometre (RASK)	Unit revenue (RASK) represents the Group's revenue divided by available seat kilometres (ASK).
Unit revenue per revenue passenger kilometre (yield)	Passenger revenue by product divided by Revenue passenger kilometres (RPK).
Unit cost per available seat kilometre (CASK)	Unit cost (CASK) represents the Group's operational costs divided by available seat kilometres. Other operating income is deducted from operational costs.
CASK excluding fuel	(Comparable operating result - Revenue - Fuel costs) / ASK x 100

Traffic	
Available seat kilometres (ASK)	Total number of seats available × great circle distance in kilometres
Revenue passenger kilometres (RPK)	Number of revenue passengers × great circle distance in kilometres
Passenger load factor (PLF)	Share of revenue passenger kilometres of available seat kilometres
Revenue tonne kilometres (RTK)	Total revenue load consisting of passengers, cargo and mail × great circle distance in kilometres

Customer-centric commercial and operational excellence	
Net Promoter Score (NPS)	Net Promoter Score is based on a question: "Thinking about all aspects of this journey, how likely would you be to recommend Finnair to a relative, friend or colleague?" Scale is 0-10: The share of detractors (ratings 0-6) is deducted from the share of promoters (ratings 9-10). Result is between +100 and -100.
On-time performance	The share of flights arrived less than 15 minutes late
Share of passengers in modern channels	Share of passengers in Finnair's own direct channels and modern, digital indirect channels in relation to total passengers for the period based on departure date. These channels include Finnair.com, Finnair mobile app, New Distribution Capability (NDC) solutions, Finnair call centers, Aurinkomatkat sales and group tool sales.
Ancillary revenue per passenger	Ancillary revenue / number of passengers

Among industry sustainability leaders	
Flight CO_2 emissions	CO_2 emissions from jet fuel consumption of Finnair's own flights

Adaptable Finnair culture driven by engaged people	
Absences due to illness	Share of sickness absence hours relating to planned working hours
Lost-time injury frequency (LTIF)	The number of workplace accidents per million working hours
Attrition rate, LTM	Number of leavers on own request during the last twelve months compared to employments on average during the last twelve months

Financial statements release – Consolidated financial report 1 Jan – 31 Dec 2024

CONSOLIDATED INCOME STATEMENT

EUR in millions	Note	Q4 2024	Q4 2023	2024	2023
Revenue	**4**	**782.9**	**727.2**	**3,048.8**	**2,988.5**
Other operating income	5	44.3	41.8	140.0	130.5
Operating expenses					
Staff and other crew related costs	6	-173.6	-124.0	-559.5	-498.1
Fuel costs		-218.5	-222.4	-894.4	-898.9
Capacity rents		-29.0	-27.8	-111.7	-107.2
Aircraft materials and overhaul		-63.3	-50.6	-223.0	-200.1
Traffic charges		-67.8	-58.4	-270.6	-233.8
Sales, marketing and distribution costs		-29.9	-28.3	-123.0	-117.1
Passenger and handling services		-113.2	-104.4	-440.3	-414.1
Depreciation and impairment	7	-83.5	-98.0	-330.3	-346.2
Property, IT and other expenses		-36.4	-27.8	-121.7	-112.1
Operating result		**12.1**	**27.3**	**114.2**	**191.4**
Financial income		11.6	15.1	44.9	56.2
Financial expenses		-23.6	-33.5	-107.2	-142.2
Exchange rate gains and losses		-10.6	7.5	-5.8	13.7
Result before taxes		**-10.5**	**16.4**	**46.1**	**119.1**
Income taxes	11	2.1	43.8	-9.1	135.2
Result for the period		**-8.4**	**60.2**	**37.0**	**254.3**
Attributable to					
Owners of the parent company		-8.4	60.2	37.0	254.3
Earnings per share attributable to shareholders of the parent company, EUR					
Basic earnings per share		-0.04	0.41	0.18	2.25
Diluted earnings per share		-0.04	0.41	0.18	2.19

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR in millions	Q4 2024	Q4 2023	2024	2023
Result for the period	**-8.4**	**60.2**	**37.0**	**254.3**
Other comprehensive income items **Items that may be reclassified to profit or loss in subsequent periods**				
Change in fair value of hedging instruments	57.0	-77.2	3.8	-7.7
Tax effect	-11.4	15.4	-0.8	4.2
Items that will not be reclassified to profit or loss in subsequent periods				
Actuarial gains and losses from defined benefit plans	2.8	-6.2	12.6	11.6
Tax effect	-0.6	1.2	-2.5	-2.3
Other comprehensive income items total	**47.8**	**-66.7**	**13.2**	**5.8**
Comprehensive income for the period	**39.4**	**-6.5**	**50.1**	**260.0**
Attributable to				
Owners of the parent company	39.4	-6.5	50.1	260.0

CONSOLIDATED BALANCE SHEET

EUR in millions	Note	2024	2023
ASSETS			
Non-current assets			
Fleet	12	1,220.8	1,053.0
Right-of-use fleet	13	636.2	775.0
Fleet total		1,857.0	1,828.0
Other fixed assets	12	141.2	141.8
Right-of-use other fixed assets	13	143.9	140.4
Other fixed assets total		285.0	282.2
Pension assets		95.0	128.0
Other non-current assets		59.8	3.1
Deferred tax assets	11	221.7	234.0
Non-current assets total		**2,518.6**	**2,475.2**
Current assets			
Receivables related to revenue		165.1	154.4
Inventories and other current assets		86.8	134.6
Derivative financial instruments	9, 10	66.5	11.8
Other financial assets	10	664.9	776.8
Cash and cash equivalents		219.1	145.1
Current assets total		**1,202.4**	**1,222.8**
Assets total		**3,721.0**	**3,698.0**
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital		75.4	75.4
Other equity		551.7	501.5
Equity total		**627.1**	**577.0**
Non-current liabilities			
Lease liabilities	14	839.7	951.0
Other interest-bearing liabilities	14	735.4	790.2
Pension obligations		0.6	0.8
Provisions and other liabilities	15	122.0	125.9
Non-current liabilities total		**1,697.7**	**1,868.0**
Current liabilities			
Lease liabilities	14	164.6	164.0
Other interest-bearing liabilities	14	125.4	120.3
Provisions	15	31.3	28.1
Trade payables		58.9	107.0
Derivative financial instruments	9, 10	62.6	43.4
Deferred income and advances received	16	658.9	506.7
Liabilities related to employee benefits		112.8	116.5
Other liabilities		181.5	167.1
Current liabilities total		**1,396.2**	**1,253.1**
Liabilities total		**3,093.9**	**3,121.0**
Equity and liabilities total		**3,721.0**	**3,698.0**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR in millions	Share capital	Other restricted funds	Hedging reserve and other OCI items	Unrestrict-ed equity funds	Retained earnings	Hybrid bond	Capital loan	**Equity total**
Equity 1 Jan 2024	**75.4**	**168.1**	**48.6**	**1,325.0**	**-1,040.2**	**-**	**-**	**577.0**
Result for the period	**-**	**-**	**-**	**-**	**37.0**	**-**	**-**	**37.0**
Change in fair value of hedging instruments	-	-	3.1	-	-	-	-	3.1
Actuarial gains and losses from defined benefit plans	-	-	10.1	-	-	-	-	10.1
Other comprehensive income items total	**-**	**-**	**13.2**	**-**	**-**	**-**	**-**	**13.2**
Comprehensive income for the period	**-**	**-**	**13.2**	**-**	**37.0**	**-**	**-**	**50.1**
Share issue costs	-	-	-	-0.1	-	-	-	-0.1
Share-based payments	-	-	-	0.1	-	-	-	0.1
Equity 31 Dec 2024	**75.4**	**168.1**	**61.8**	**1,325.0**	**-1,003.3**	**-**	**-**	**627.1**

EUR in millions	Share capital	Other restricted funds	Hedging reserve and other OCI items	Unrestrict-ed equity funds	Retained earnings	Hybrid bond	Capital loan	**Equity total**
Equity 1 Jan 2023	**75.4**	**168.1**	**42.8**	**763.3**	**-1,237.0**	**198.0**	**400.0**	**410.7**
Result for the period	**-**	**-**	**-**	**-**	**254.3**	**-**	**-**	**254.3**
Change in fair value of hedging instruments	-	-	-3.5	-	-	-	-	-3.5
Actuarial gains and losses from defined benefit plans	-	-	9.3	-	-	-	-	9.3
Other comprehensive income items total	**-**	**-**	**5.8**	**-**	**-**	**-**	**-**	**5.8**
Comprehensive income for the period	**-**	**-**	**5.8**	**-**	**254.3**	**-**	**-**	**260.0**
Share issue	-	-	-	570.4	-	-	-	570.4
Share issue costs	-	-	-	-9.5	-	-	-	-9.5
Capital loan repayments	-	-	-	-	-	-	-400.0	-400.0
Capital loan interests and expenses	-	-	-	-	-39.1	-	-	-39.1
Hybrid bond repayments	-	-	-	-	-	-200.0	-	-200.0
Hybrid bond interests and expenses	-	-	-	-	-18.3	2.0	-	-16.3
Share-based payments	-	-	-	0.7	-	-	-	0.7
Equity 31 Dec 2023	**75.4**	**168.1**	**48.6**	**1,325.0**	**-1,040.2**	**-**	**-**	**577.0**

CONSOLIDATED CASH FLOW STATEMENT

EUR in millions	Q4 2024	Q4 2023	2024	2023
Cash flow from operating activities				
Result before taxes	-10.5	16.4	46.1	119.1
Depreciation and impairment	83.5	98.0	330.3	346.2
Financial income and expenses	22.6	10.9	68.1	72.3
Sales gains and losses on aircraft and other transactions	-12.0	-10.3	-12.0	-13.3
Change in provisions	-4.4	-9.5	8.4	-21.4
Employee benefits	39.1	-1.9	49.3	8.9
Other adjustments	-0.4	-1.2	-3.1	1.0
Non-cash transactions	34.3	-12.7	54.7	-11.5
Changes in trade and other receivables **	88.8	-3.4	46.7	-30.2
Changes in inventories	0.1	-0.5	-2.8	-1.1
Changes in trade and other payables	-14.1	-66.3	119.8	89.4
Changes in working capital	74.8	-70.2	163.7	58.1
Financial expenses paid, net	9.1	-37.8	-38.0	-98.7
Income taxes paid	-0.0	-	-0.1	-
Net cash flow from operating activities	**201.8**	**-5.7**	**612.7**	**472.3**
Cash flow from investing activities				
Investments in fleet ***	-137.1	-244.1	-222.8	-400.6
Investments in other fixed assets	-1.5	-1.8	-10.8	-3.6
Divestments of fleet, other fixed assets and shares	-0.0	0.0	0.0	0.4
Lease and lease interest payments received	0.1	0.1	0.4	0.4
Change in other current financial assets (maturity over 3 months)	20.1	68.0	4.1	-60.7
Change in other non-current assets **	-57.0	0.1	-57.3	0.0
Net cash flow from investing activities	**-175.3**	**-177.7**	**-286.4**	**-464.0**
Cash flow from financing activities				
Proceeds from loans	-	-	495.7	-
Loan repayments	-10.8	-229.9	-705.6	-377.4
Repayments of lease liabilities	-43.3	-49.0	-170.3	-198.1
Share issue ****	-	570.4	-	570.4
Share issue costs	-	-2.1	-9.8	-2.1
Hybrid bond repayments	-	-	-	-200.0
Hybrid bond interests and expenses	-	-	-	-20.4
Capital loan repayments ****	-	-400.0	-	-400.0
Capital loan interests and expenses	-	-48.9	-	-48.9
Net cash flow from financing activities	**-54.1**	**-159.4**	**-390.0**	**-676.4**
Change in cash flows	**-27.6**	**-342.8**	**-63.7**	**-668.1**
Liquid funds, at beginning	671.4	1,050.3	707.5	1,375.6
Change in cash flows	-27.6	-342.8	-63.7	-668.1
Liquid funds, at end *	**643.8**	**707.5**	**643.8**	**707.5**
*** Liquid funds**				
Other financial assets	664.9	776.8	664.9	776.8
Cash and cash equivalents	219.1	145.1	219.1	145.1
Cash funds	**884.0**	**922.0**	**884.0**	**922.0**
Other current financial assets (maturity over 3 months)	-240.2	-214.4	-240.2	-214.4
Liquid funds	**643.8**	**707.5**	**643.8**	**707.5**

** Credit card acquirer holdbacks related to cash funds from passenger ticket sales held by credit card processors were reclassified from other current assets to other non-current assets at the end of 2024. This had a positive impact of 57.0 million euros on changes in trade and other receivables and a corresponding negative impact on change in other non-current assets.
*** The ECA (Export Credit Agency) financed A350 aircraft received in December 2024 is not included in cash flow from investments, as the cash flow related to the acquisition of the aircraft did not go through Finnair, but from the financier to Airbus. More details can be found in note 14.
**** The participation of the State of Finland to the rights issue was paid by offsetting the aggregate subscription price against a corresponding amount of the principal of the capital loan. The overall offset amount was 318.6 million euros and net proceeds from the rights issue amounted to 251.8 million euros before share issue costs. After the completion of the rights issue Finnair repaid the remainder of the capital loan of approximately 81.4 million euros, to the State of Finland.

Notes to the financial statements release – Consolidated financial report 1 Jan – 31 Dec 2024

1. BASIS OF PREPARATION

This consolidated financial statements release has been prepared in accordance with the Interim Financial Reporting standard IAS 34 and its figures are unaudited. The financial statements release has been authorised for publication on 12 February 2025.

2. ACCOUNTING PRINCIPLES

The accounting principles applied in the financial statements release correspond to the principles disclosed in the Consolidated Financial Statements 2023. The figures presented in the financial statements release are rounded and consequently the sum of individual figures may not precisely add up to the corresponding totals stated herein. The reported key figures have been calculated using exact figures.

3. CRITICAL ACCOUNTING ESTIMATES AND SOURCES OF UNCERTAINTY

The preparation of IFRS financial statements requires management to make various judgements in applying the accounting principles that affect the reported amounts of assets and liabilities as well as income and expenses. The application of the accounting policies prescribed by IFRS require making estimates and assumptions relating to the future where the actual outcome may differ from the earlier estimates and assumptions made. The identified items that require the most management estimates and assumptions, or where those estimates involve most uncertainties, include valuation of the fleet and other fixed assets, leasing arrangements, pension obligations, maintenance reserves of the fleet, Finnair Plus - customer loyalty programme, derivatives and hedge accounting as well as deferred tax assets. When preparing the consolidated financial statements release, the management has also considered the impacts of climate related matters in the estimates used in this financial statements release.

International conflicts, global political instability and a tense labour market situation in Finland, in particular, cause uncertainty in Finnair's operating environment. In addition, changes in the price of jet fuel or foreign currency rates can have a material impact on the company's financial result, balance sheet and cash flow. Finnair's management is continuously monitoring the changes in its operating environment and updates its estimates and assumptions based on the latest available information. Information on main critical accounting estimates and sources of uncertainty as well as the climate related impacts are disclosed in more detail in the 2023 financial statements.

4. SEGMENT INFORMATION AND REVENUE

Finnair Executive Board, defined as the chief operative decision maker according to IFRS 8: Segment reporting, considers the business as one operating segment. Therefore, separate segment information is not reported.

Finnair's fourth quarter total revenue increased by 7.7 per cent year-on-year driven by growth in all revenue categories.

Q4 2024, EUR in millions	Asia	North Atlantic	Europe	Middle East	Domestic	Un-allocated	Total	Share %
Passenger revenue	199.7	46.4	259.4	53.7	50.7	1.1	**610.9**	78.0
Ancillary revenue	9.3	2.3	15.2	0.8	2.3	22.4	**52.3**	6.7
Cargo	37.0	7.9	7.9	1.1	0.1	1.4	**55.3**	7.1
Travel services	8.2	0.3	54.8	1.1	0.0	0.0	**64.4**	8.2
Total	**254.1**	**56.9**	**337.3**	**56.7**	**53.1**	**24.9**	**782.9**	**100.0**
Share %	32.5	7.3	43.1	7.2	6.8	3.2	100.0	-

Q4 2023, EUR in millions	Asia	North Atlantic	Europe	Middle East	Domestic	Un-allocated	Total	Share %
Passenger revenue	185.7	45.1	246.2	53.2	48.3	-5.5	**573.1**	78.8
Ancillary revenue	8.4	2.2	13.8	0.6	1.9	16.9	**43.8**	6.0
Cargo	35.1	6.8	6.7	0.4	0.1	1.4	**50.5**	7.0
Travel services	7.9	0.4	50.3	1.3	0.0	-0.1	**59.8**	8.2
Total	**237.1**	**54.4**	**317.0**	**55.6**	**50.3**	**12.8**	**727.2**	**100.0**
Share %	32.6	7.5	43.6	7.6	6.9	1.8	100.0	-

2024, EUR in millions	Asia	North Atlantic	Europe	Middle East	Domestic	Un-allocated	Total	Share %
Passenger revenue	775.1	225.4	1,050.0	196.1	171.0	1.4	**2,419.0**	79.3
Ancillary revenue	36.4	11.3	61.8	2.0	7.1	63.2	**181.8**	6.0
Cargo	139.0	31.6	27.5	1.8	0.4	5.2	**205.5**	6.7
Travel services	28.1	1.4	209.7	3.2	-0.0	0.1	**242.4**	8.0
Total	**978.6**	**269.6**	**1,349.0**	**203.0**	**178.6**	**69.9**	**3,048.8**	**100.0**
Share %	32.1	8.8	44.2	6.7	5.9	2.3	100.0	-

2023, EUR in millions	Asia	North Atlantic	Europe	Middle East	Domestic	Un-allocated	Total	Share %
Passenger revenue	763.2	214.9	1,045.3	206.3	172.7	9.3	**2,411.6**	80.7
Ancillary revenue	30.6	9.9	50.7	1.9	5.8	48.9	**147.8**	4.9
Cargo	133.6	28.5	26.5	1.4	0.4	1.6	**192.0**	6.4
Travel services	23.8	1.3	205.8	6.0	0.0	0.1	**237.1**	7.9
Total	**951.3**	**254.6**	**1,328.3**	**215.6**	**178.9**	**59.9**	**2,988.5**	**100.0**
Share %	31.8	8.5	44.4	7.2	6.0	2.0	100.0	-

Key figures quarterly, last 24 months	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Revenue	**782.9**	**818.3**	**766.1**	**681.5**	**727.2**	**817.3**	**749.2**	**694.7**
Passenger revenue	610.9	655.3	613.5	539.3	573.1	673.1	612.1	553.4
Ancillary revenue	52.3	47.6	44.5	37.4	43.8	37.9	33.1	33.0
Cargo	55.3	52.5	51.4	46.3	50.5	40.8	47.3	53.4
Travel services	64.4	62.8	56.7	58.4	59.8	65.6	56.8	54.9
Comparable EBITDA	**131.3**	**153.3**	**125.8**	**70.5**	**106.9**	**177.7**	**149.1**	**82.8**
Comparable operating result	**47.9**	**71.5**	**43.6**	**-11.6**	**22.5**	**94.3**	**66.2**	**0.9**
Operating result	**12.1**	**76.7**	**42.5**	**-17.2**	**27.3**	**90.0**	**65.8**	**8.3**

5. OTHER OPERATING INCOME

EUR in millions	Q4 2024	Q4 2023	Change %	2024	2023	Change %
Lease income	26.7	25.3	5.7	106.9	95.3	12.1
Sales gains on fixed assets	12.0	10.3	16.2	12.0	13.4	-10.2
Other income	5.6	6.2	-10.1	21.1	21.8	-2.9
Total	**44.3**	**41.8**	**6.0**	**140.0**	**130.5**	**7.3**

Lease income increased slightly compared to the fourth quarter of 2023 primarily due to the commencement of wet lease out arrangements with Qantas for Singapore–Sydney flights in Q4 2023 and for Bangkok–Sydney flights at the beginning of Q2 2024. The wet lease agreement with British Airways ended on 31 March 2024. Sales gains on fixed assets mainly consist of the purchase of one A350 and one A321, which were previously leased by Finnair.

6. STAFF AND OTHER CREW RELATED COSTS

EUR in millions	Q4 2024	Q4 2023	Change %	2024	2023	Change %
Wages and salaries	-96.5	-89.2	-8.3	-366.8	-348.6	-5.2
Defined contribution schemes	-16.0	-17.3	7.8	-64.1	-61.7	-3.8
Defined benefit schemes	-38.9	0.1	<-200	-49.3	-8.3	<-200
Pension expenses total	-54.9	-17.2	<-200	-113.4	-70.0	-62.0
Other social expenses	-3.0	-4.0	25.3	-9.1	-16.3	44.1
Salaries, pension and social costs	**-154.4**	**-110.3**	**-39.9**	**-489.3**	**-435.0**	**-12.5**
Operative staff related costs	-8.4	-7.3	-14.8	-31.5	-30.5	-3.1
Leased and outsourced crew	-7.8	-6.4	-21.6	-29.4	-26.0	-12.8
Other personnel related costs	-3.0	0.0	<-200	-9.3	-6.5	-42.5
Total	**-173.6**	**-124.0**	**-40.0**	**-559.5**	**-498.1**	**-12.3**

Staff and other crew related costs increased mainly due to the obligations of Finnair Pension Fund, for which indexation was partially returned based on the precedent issued by the Supreme Administrative Court of Finland.

7. DEPRECIATION AND IMPAIRMENT

EUR in millions	Q4 2024	Q4 2023	Change %	2024	2023	Change %
Depreciation of owned fleet	-42.8	-38.6	-10.7	-164.6	-139.5	-18.0
Depreciation of other fixed assets	-4.0	-3.9	-0.5	-15.7	-15.3	-2.8
Depreciation of right-of-use fleet	-31.4	-36.8	14.6	-127.9	-156.9	18.5
Depreciation of right-of-use other assets	-5.4	-5.0	-7.0	-21.4	-20.9	-2.2
Depreciation	**-83.5**	**-84.3**	**1.0**	**-329.5**	**-332.6**	**0.9**
Impairment	-	-13.7	100.0	-0.7	-13.7	94.5
Total	**-83.5**	**-98.0**	**14.8**	**-330.3**	**-346.2**	**4.6**

Fleet and other non-current assets subject to depreciation, including the right-of-use assets, are stated at historical cost less accumulated depreciation and impairment loss, when applicable.

8. ITEMS AFFECTING COMPARABILITY

Finnair uses alternative performance measures in its internal reporting to the chief operative decision maker, or Finnair Executive Board. The figures are referred to in the European Securities Markets Authority (ESMA) Guidelines on Alternative Performance Measures, which Finnair uses to describe its business and financial performance development between periods. The alternative performance measures do not replace IFRS indicators but shall be read in conjunction with key figures in accordance with IFRS financial statements.

Unrealised exchange rate differences of mainly in US dollars denominated aircraft maintenance provisions and unrealised fair value changes of derivatives where hedge accounting is not applied are excluded from comparable operating result. These exchange rate and fair value effects are included in the comparable operating result only when they will realise. In addition, gains and losses on aircraft and other transactions, impairment, certain changes in defined benefit pension plans as well as restructuring costs are not included in the comparable operating result.

EUR in millions	Q4 2024 Reported	Q4 2024 Items affecting compa-rability	Q4 2024 Compa-rable	Q4 2023 Reported	Q4 2023 Items affecting compa-rability	Q4 2023 Compa-rable
Revenue	**782.9**	**-**	**782.9**	**727.2**	**-**	**727.2**
Other operating income	44.3	-12.0	32.3	41.8	-10.3	31.5
Operating expenses						
Staff and other crew related costs	-173.6	40.2	-133.4	-124.0	-	-124.0
Fuel costs	-218.5	-0.1	-218.6	-222.4	0.3	-222.0
Capacity rents	-29.0	-	-29.0	-27.8	-	-27.8
Aircraft materials and overhaul	-63.3	7.7	-55.6	-50.6	-8.4	-59.0
Traffic charges	-67.8	-	-67.8	-58.4	-	-58.4
Sales, marketing and distribution costs	-29.9	-	-29.9	-28.3	-	-28.3
Passenger and handling services	-113.2	-	-113.2	-104.4	-	-104.4
Property, IT and other expenses	-36.4	-	-36.4	-27.8	0.0	-27.8
EBITDA	**-**	**-**	**131.3**	**-**	**-**	**106.9**
Depreciation and impairment	-83.5	-	-83.5	-98.0	13.7	-84.3
Operating result	**12.1**	**35.8**	**47.9**	**27.3**	**-4.7**	**22.5**

EUR in millions	2024 Reported	2024 Items affecting compa-rability	2024 Compa-rable	2023 Reported	2023 Items affecting compa-rability	2023 Compa-rable
Revenue	**3,048.8**	**-**	**3,048.8**	**2,988.5**	**-**	**2,988.5**
Other operating income	140.0	-12.0	128.0	130.5	-13.5	117.0
Operating expenses						
Staff and other crew related costs	-559.5	40.9	-518.6	-498.1	-	-498.1
Fuel costs	-894.4	1.5	-893.0	-898.9	-0.7	-899.6
Capacity rents	-111.7	-	-111.7	-107.2	-	-107.2
Aircraft materials and overhaul	-223.0	6.1	-216.9	-200.1	-7.1	-207.2
Traffic charges	-270.6	-	-270.6	-233.8	-	-233.8
Sales, marketing and distribution costs	-123.0	-	-123.0	-117.1	-	-117.1
Passenger and handling services	-440.3	-	-440.3	-414.1	-	-414.1
Property, IT and other expenses	-121.7	0.0	-121.7	-112.1	0.1	-111.9
EBITDA	**-**	**-**	**480.9**	**-**	**-**	**516.5**
Depreciation and impairment	-330.3	0.7	-329.5	-346.2	13.7	-332.6
Operating result	**114.2**	**37.2**	**151.4**	**191.4**	**-7.5**	**184.0**

Items affecting comparability include loss of 40.9 million euros mainly relating to the obligations of Finnair Pension Fund, for which indexation was partially returned based on the precedent issued by the Supreme Administrative Court of Finland, gain of 12.0 million euros comprising of the purchase of two leased aircraft, loss of 6.1 million euros on the unrealised exchange rate difference of aircraft maintenance provisions and loss of 1.5 million euros on fair value changes of jet fuel options that are not included in hedge accounting.

9. MANAGEMENT OF FINANCIAL RISKS

No significant changes have been made to the Group's risk management principles in the reporting period. The tables below present the nominal value, or the amount and net fair value of derivative contracts used in Group's hedge accounting. In addition to derivates Finnair has also used USD denominated investments and deposits to hedge its balance sheet exposure. The amount of these investments and deposits at the end of Q4 2024 was over 400 million dollars.

On a year-on-year basis, the US dollar appreciated 0.8 per cent against the euro and jet fuel price decreased 22.1 per cent.

Derivatives, EUR in millions	**2024**		**2023**	
	Nominal value	Fair net value	Nominal value	Fair net value
Currency derivatives				
Operational cash flow hedging (forward contracts)	490.8	18.8	389.7	-3.5
Operational cash flow hedging (options)				
Bought options	41.7	1.2	53.3	0.0
Sold options	37.8	-0.2	48.9	-0.6
Fair value hedging of aircraft acquisitions	75.4	1.8	158.9	-1.4
Hedge accounting items total	645.7	21.6	650.7	-5.5
Balance sheet hedging (forward contracts)	305.6	0.6	321.8	0.2
Items outside hedge accounting total	305.6	0.6	321.8	0.2
Currency derivatives total	**951.3**	**22.3**	**972.6**	**-5.3**
Commodity derivatives				
Jet fuel forward contracts, tonnes	598,000	-25.6	422,000	-9.6
Options				
Bought options, jet fuel, tonnes	231,000	5.4	255,000	2.6
Sold options, jet fuel, tonnes	231,000	-14.9	255,000	-12.0
Hedge accounting items total	1,060,000	-35.2	932,000	-18.9
Options				
Bought options, jet fuel, tonnes	0	-	187,000	1.6
Items outside hedge accounting total	0	-	187,000	1.6
Commodity derivatives total	**1,060,000**	**-35.2**	**1,119,000**	**-17.4**
Currency and interest rate swaps and options				
Interest rate swaps	250.0	6.3	-	-
Hedge accounting items total	250.0	6.3	-	-
Cross currency interest rate swaps	342.0	10.5	310.4	-8.9
Items outside hedge accounting total	342.0	10.5	310.4	-8.9
Interest rate derivatives total	**592.0**	**16.8**	**310.4**	**-8.9**
Derivatives total	**-**	**3.9**	**-**	**-31.5**

10. FINANCIAL ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

Fair value hierarchy of financial assets and liabilities valued at fair value			
Fair values at the end of the reporting period, EUR in millions	2024	Level 1	Level 2
Financial assets at fair value through profit and loss			
Securities held for trading	664.9	589.5	75.4
Derivatives held for trading			
Currency and interest rate swaps and options	37.0	-	37.0
- of which in fair value hedge accounting	26.4	-	26.4
Currency derivatives	23.2	-	23.2
- of which in fair value hedge accounting	1.8	-	1.8
- of which in cash flow hedge accounting	20.7	-	20.7
Commodity derivatives	6.4	-	6.4
- of which in cash flow hedge accounting	6.4	-	6.4
Total	**731.5**	**589.5**	**141.9**

Financial liabilities recognised at fair value through profit and loss			
Derivatives held for trading			
Currency and interest rate swaps and options	20.1	-	20.1
- of which in fair value hedge accounting	20.1	-	20.1
Currency derivatives	1.0	-	1.0
- of which in cash flow hedge accounting	0.9	-	0.9
Commodity derivatives	41.6	-	41.6
- of which in cash flow hedge accounting	41.6	-	41.6
Total	**62.6**	**-**	**62.6**

During the reporting period, no significant transfers took place between fair value hierarchy Levels 1 and 2. Majority of the securities held for trading are investments into money market funds and commercial papers. Investments have been done according to the treasury policy.

The fair values of hierarchy Level 1 are based fully on quoted (unadjusted) prices in active markets of the same assets and liabilities. The fair values of Level 2 instruments are, to a significant extent, based on input data other than the quoted prices included in Level 1, but still mainly based directly observable data (market prices) or indirectly observable data (derived from market prices) for the particular asset or liability.

11. INCOME TAXES

The effective tax rate was 19.8%. During the financial year, deferred tax asset of -40.3 million euros for the taxable result of the period, 31.3 million euros for the other temporary differences and -3.3 million euros for the other comprehensive income items were recognised. Deferred tax asset at the end of reporting period was 221.7 million euros (234.0).

Unrecognised deferred tax assets have not changed materially during the financial year.

The deferred tax asset is recognised up to the amount where it is probable that future taxable income will be generated against which the temporary difference can be utilised. The management's assessment of the taxable profit is based on the latest forecast approved by the Board of Directors in connection with the preparation of the financial statements release. The statutory period of limitation relating to confirmed losses is 10 years and the respective deferred tax currently recognised in the balance sheet are expiring in 2030–2032. Deferred tax assets and liabilities recognised in the balance sheet are netted as they are levied by the same taxing authority and Finnair has a legally enforceable right to set off the balances.

12. CHANGE IN FIXED ASSETS

EUR in millions	2024	2023
Carrying amount at the beginning of period	1,194.8	1,044.9
Additions	419.7	409.4
Change in advances	-54.3	-4.5
Currency hedging of aircraft acquisitions	-3.2	-10.2
Disposals and reclassifications	-14.7	-90.0
Depreciation	-180.3	-154.8
Carrying amount at the end of period	**1,362.0**	**1,194.8**

Additions to fixed assets are mainly related to the new, export credit support financed A350 aircraft delivered in December 2024, the purchase of one A350 and one A321 aircraft which were previously leased by Finnair, cabin refurbishment of the wide-body aircraft and investments in aircraft maintenance. Disposals and reclassifications are related to maintenance provisions reclassified against the acquisition cost of the purchased, previously leased aircraft. The change in advances is primarily related to the new A350 aircraft.

13. CHANGE IN RIGHT-OF-USE ASSETS

EUR in millions	2024	2023
Carrying amount at the beginning of period	915.3	1,078.2
New contracts	13.9	24.3
Reassessments and modifications	30.2	50.5
Disposals	-29.4	-46.2
Depreciation	-149.3	-177.8
Impairment	-0.7	-13.7
Carrying amount at the end of period	**780.0**	**915.3**

New contracts are mainly related to the new Schengen lounge at Helsinki-Vantaa airport and a spare engine lease contract. Reassessments and modifications are primarily related to lease extensions made for one A330 and one A321 aircraft, as well as to the non-Schengen lounge at Helsinki-Vantaa airport. Disposals are related to the purchases of one leased A350 and one leased A321 aircraft, for which the leasing contracts were terminated in connection with the acquisition.

14. INTEREST-BEARING LIABILITIES

During the fourth quarter of 2024, Finnair was granted export credit support in excess of 100 million euros for one Airbus A350 aircraft. The financing is a long-term facility with 12 years maturity, and it has a fixed amortisation schedule. In accounting, the financed aircraft is treated as owned and the financing is shown in interest-bearing liabilities.

The existing loans are being amortised according to the loan instalment programmes.

Interest-bearing liabilities	Fair value		Book value	
EUR in millions	2024	2023	2024	2023
Lease liabilities	1,004.4	1,115.0	1,004.4	1,115.0
Loans from financial institutions	-	272.1	-	279.7
Bonds	511.0	371.9	502.5	381.3
JOLCO loans* and other	353.4	231.9	358.3	249.5
Total	**1,868.8**	**1,990.9**	**1,865.2**	**2,025.6**

* JOLCO loans and other include the JOLCO loans (Japanese Operating Lease with Call Option) for three A350 aircraft and Export Credit Support for two A350. The transactions are treated as loans and owned aircraft in Finnair's accounting.

Fair values of interest-bearing liabilities (excluding lease liabilities) have been calculated by discounting the expected cash flows using the market interest rate and company's credit risk premium at the reporting date. Fair value of bonds has been calculated by using the quoted price of reporting date (102.2).

Maturity dates of financial liabilities as at 31 Dec 2024 EUR in millions	1-12 months	13-24 months	25-36 months	37-48 months	49-60 months	Later	Total
Lease liabilities, fixed interest	124.6	105.6	96.5	73.8	73.7	276.3	**750.5**
Lease liabilities, variable interest	40.0	39.5	41.5	38.9	20.4	73.7	**253.9**
Bonds, fixed interest	-	-	-	-	500.0	-	**500.0**
JOLCO loans and other, fixed interest	22.5	11.2	-	-	-	-	**33.7**
JOLCO loans and other, variable interest	103.0	45.5	22.2	22.4	22.5	112.2	**327.9**
Interest-bearing financial liabilities total*	**290.1**	**201.8**	**160.3**	**135.1**	**616.6**	**462.1**	**1,866.0**
Payments from interest rate and currency derivatives	777.0	94.0	-	-	20.1	-	**891.1**
Income from interest rate and currency derivatives	-797.7	-101.3	-	-1.9	-29.3	-	**-930.2**
Commodity derivatives	33.7	1.5	-	-	-	-	**35.2**
Trade payables and other liabilities	240.4	-	-	-	-	-	**240.4**
Interest payments	92.1	75.3	64.1	56.1	49.5	75.6	**412.6**
Total	**635.6**	**271.3**	**224.3**	**189.3**	**657.0**	**537.7**	**2,515.1**

Maturity dates of financial liabilities as at 31 Dec 2023 EUR in millions	1-12 months	13-24 months	25-36 months	37-48 months	49-60 months	Later	Total
Lease liabilities, fixed interest	127.6	131.9	101.8	89.7	68.5	329.0	**848.5**
Lease liabilities, variable interest	36.4	36.4	35.9	37.7	35.0	85.2	**266.5**
Loans from financial institutions, variable interest	80.0	200.0	-	-	-	-	**280.0**
Bonds, fixed interest	-	382.5	-	-	-	-	**382.5**
JOLCO loans and other, fixed interest	-	23.4	11.7	-	-	-	**35.1**
JOLCO loans and other, variable interest	40.4	85.9	31.9	10.0	10.1	39.3	**217.5**
Interest-bearing financial liabilities total*	**284.4**	**860.1**	**181.2**	**137.3**	**113.7**	**453.4**	**2,030.1**
Payments from interest rate and currency derivatives	872.4	2.3	2.7	-	1.7	-	**879.1**
Income from interest rate and currency derivatives	-864.9	-	-	-	-	-	**-864.9**
Commodity derivatives	15.8	1.5	-	-	-	-	**17.4**
Trade payables and other liabilities	274.1	-	-	-	-	-	**274.1**
Interest payments	96.8	73.2	45.1	34.6	27.6	84.1	**361.3**
Total	**678.5**	**937.2**	**229.1**	**171.9**	**142.9**	**537.5**	**2,697.0**

* The bonds maturing do not include the amortised cost of 3.8 million euros paid in 2024 and due in 2029. Respectively, JOLCO loans do not include the amortised cost of 3.2 million euros paid in 2016 and due in 2025. Therefore, the total amount of interest-bearing financial liabilities differs from the book value by the amount equal to the amortised costs.

15. PROVISIONS

EUR in millions	2024	2023
Aircraft maintenance provision		
Provision at the beginning of period	144.2	246.7
Provision for the period	49.4	49.1
Provision used	-42.6	-58.9
Provision reversed	-3.8	-2.3
Provision for right-of-use assets redelivery	-0.7	-0.3
Reclassifications	-14.7	-90.8
Unwinding of discount	5.7	7.8
Exchange rate differences	6.1	-7.1
Aircraft maintenance provision total	**143.5**	**144.2**
Of which non-current	113.7	118.3
Of which current	29.8	25.9
Other provisions		
Provision at the beginning of period	2.9	5.0
Provision for the period	1.8	1.2
Provision used	-2.1	-2.8
Provision reversed	-0.4	-0.6
Other provisions total	**2.2**	**2.9**
Of which non-current	0.7	0.8
Of which current	1.5	2.1
Total	**145.8**	**147.1**
Of which non-current	114.5	119.0
Of which current	31.3	28.1

Non-current aircraft maintenance provisions are expected to be used by the end of 2035.

In the balance sheet, non-current provisions and other liabilities totalling to 122.0 million euros (125.9) include, in addition to provisions, other non-current liabilities totalling to 7.5 million euros (6.9) which mainly consist of received lease deposits.

16. DEFERRED INCOME AND ADVANCES RECEIVED

EUR in millions	2024	2023
Deferred revenue on ticket sales	525.4	394.8
Loyalty program Finnair Plus	73.3	66.7
Advances received for tour operations	35.0	32.5
Other items	25.2	12.8
Total	**658.9**	**506.7**

17. CONTINGENT LIABILITIES

EUR in millions	2024	2023
Guarantees on behalf of group undertakings	58.2	51.5
Total	**58.2**	**51.5**

The guarantees on behalf of group undertakings increased due to a higher amount of tour operations bookings during the year. Investment commitments for property, plant and equipment as of 31 December 2024 totalled 162.6 million euros (313.7) and they relate mainly to firm aircraft orders and other aircraft related investments. Out of the total investment commitments 22.6 million euro takes place within the next 12 months and 140.0 million euro during the following 1–5 years.

Off-balance sheet lease commitments as of 31 December 2024 totalled 16.0 million euros (16.5). These include short-term lease agreements and other lease agreements for which the underlying asset is of low value or contracts that do not contain a lease according to IFRS 16. These relate mainly to leases for facilities and IT equipment.

18. RELATED PARTY TRANSACTIONS

There were no significant changes in the scope or amounts of related party transactions during the reporting period.

19. RETURN OF CAPITAL PER SHARE

The Board of Directors proposes to the Annual General Meeting that a return of capital of 0.11 euros per share be distributed in two instalments. The first instalment is 0.06 euros per share and the second instalment 0.05 euros per share.

20. EVENTS AFTER THE PERIOD

There have not been any events after the period that would have a material financial impact.