Finnair Group
Half-year Report

1 January – 30 June 2025

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Industrial action had a considerable impact on Q2 result, but 94% of flights were operated as planned despite industrial action

April–June 2025

- Revenue increased by 2.8% to 787.7 million euros (766.1).
- Comparable operating result was 10.3 million euros (43.6). Industrial action had a direct negative impact of around 29 million euros on the comparable operating result.
- Operating result was 19.2 million euros (42.5).
- Earnings per share were 0.06 euros (0.09).
- Net cash flow from operating activities was 43.7 million euros (173.1) and net cash flow from investing activities -99.2 million euros (-41.6)*.
- Number of passengers increased by 3.1% to 3.1 million (3.0**).
- Available seat kilometres (ASK) increased by 4.2% to 10,207.8 million kilometres (9,799.9). Including wet leases, ASKs increased by 1.7%.
- Passenger load factor (PLF) increased by 1.9 percentage points to 76.6% (74.7).

January–June 2025

- Revenue increased by 2.4% to 1,481.9 million euros (1,447.6).
- Comparable operating result was -52.3 million euros (32.0). Industrial action had a direct negative impact of around 51 million euros on the comparable operating result.
- Operating result was -34.2 million euros (25.3).
- Earnings per share were -0.19 euros (-0.06).
- Net cash flow from operating activities was 235.8 million euros (312.0) and net cash flow from investing activities -156.5 million euros (-67.5)*.
- Number of passengers increased by 2.9% to 5.7 million (5.6**).
- Available seat kilometres (ASK) increased by 3.3% to 19,334.2 million kilometres (18,722.8). Including wet leases, ASKs increased by 1.6%.
- Passenger load factor (PLF) increased by 1.8 percentage points to 75.2% (73.5).

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

* *In April–June, net cash flow from investing activities included 27.7 million euros of investments (5.9 million euros of investments) in money market funds or other financial assets (maturity over three months). In January–June, net cash flow from investing activities included 32.8 million euros of investments (0.6 million euros of redemptions). They are part of the Group's liquidity management.*

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

Outlook and guidance

Finnair's guidance regarding capacity, revenue and comparable operating result for 2025 has been clarified following the end of industrial action. Guidance excluding any direct impact of industrial action is unchanged. However, Finnair specifies that, based on the current information, the comparable operating result is estimated to be closer to the lower end of the given range, due to weaker-than-expected demand in North Atlantic traffic and the indirect effects of industrial action on demand in broader terms.

Under Outlook and guidance on 16 July 2025, the company provides additional information on the impacts of industrial action, as well as an estimate of capacity growth, revenue and comparable operating result in 2025, considering the direct impacts of industrial action.

OUTLOOK AND GUIDANCE ON 16 JULY 2025

Global air traffic is expected to continue growing in 2025. However, international conflicts, global political instability and the threat of trade wars cause uncertainty in the operating environment. In particular, the risk levels related to tariffs between different countries and their direct and indirect impacts are elevated.

Excluding the direct impact of industrial action, Finnair has planned to increase its total capacity, measured by ASKs, by c. 10% in 2025. The capacity estimate includes the agreed wet leases. Finnair has anticipated 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. However, based on the current information, the company estimates that the comparable operating result will be closer to the lower end of the given range, due to weaker-than-expected demand in North Atlantic traffic and the indirect effects of industrial action on demand in broader terms. In 2025, profitability is further 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. The direct cost impact of tariffs that will enter into force after the second quarter is estimated to be limited. It is too early to estimate the magnitude of potential indirect effects.

The estimates above regarding capacity, revenue and comparable operating result do not include direct impacts of industrial action. In total, the direct negative impact of industrial action in 2025 is estimated to be approximately 100 million euros on revenue, approximately 70 million euros on comparable operating result and approximately 5% on the total capacity, measured by ASKs. In the first half of 2025, industrial action had a direct impact of around -72 million euros on revenue and around -51 million euros on the comparable operating result. In addition, the three days of industrial action in July and the flights cancelled for the summer season due to a temporary lack of resources following industrial action, including wet lease out flights, are estimated to negatively impact revenue by approximately 25 million euros, other operating income by approximately 5 million euros and comparable operating result by approximately 20 million euros in the third quarter. Based on the cancellations confirmed, industrial action is estimated to have a direct negative impact of approximately 5% on the total capacity in 2025, measured by ASKs.

Considering the direct negative impacts of industrial action, Finnair plans to increase its total capacity, measured by ASKs, by c. 5% year-on-year and estimates its revenue to be within the range of 3.2–3.3 billion euros and its comparable operating result to be within the range of 30–130 million euros in 2025. However, based on the current information, the company estimates that the comparable operating result will be closer to the lower end of the given range, due to weaker-than-expected demand in North Atlantic traffic and the indirect effects of industrial action on demand in broader terms.

Finnair will update its outlook and guidance in connection with the interim report January–September 2025.

PREVIOUS OUTLOOK AND GUIDANCE ISSUED ON 29 APRIL 2025

Global air traffic is expected to continue growing in 2025. However, international conflicts, global political instability, the threat of trade wars and a tense labour market situation in Finland cause uncertainty in the operating environment. In particular, the risk levels related to tariffs between different countries and their direct and indirect impacts have increased.

Excluding the impact of industrial action, Finnair has planned to increase its total capacity, measured by ASKs, by c. 10% in 2025. The capacity estimate includes the agreed wet leases. Finnair has anticipated 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. The direct cost impact of tariffs that will enter into force after the first quarter is estimated to be limited. It is too early to estimate the magnitude of potential indirect effects.

The estimates regarding capacity, revenue and comparable operating result do not include impacts of industrial action. In the first quarter of 2025, industrial action had a negative impact of around 31 million euros on revenue and around 22 million euros on the comparable operating result. In April 2025, industrial action is estimated to have a negative impact of around 15 million euros on revenue and around 10 million euros on the comparable operating result. In addition, regardless of the duration of industrial action, Finnair has decided to cancel 230 flights scheduled for the summer season due to a temporary lack of resources following the industrial action, which is estimated to negatively impact revenue by approximately 30 million euros and the comparable operating result by approximately 10 million euros. Based on the cancellations already confirmed, industrial action is estimated to have a negative impact of approximately 5% on the total capacity in 2025, measured by ASKs.

Finnair will update its outlook and guidance in connection with the 2025 half-year report.

CEO Turkka Kuusisto:

The challenges Finnair faced at the beginning of the year continued into the second quarter. We carried over 3 million passengers, and our revenue grew slightly compared to the same period last year. However, our comparable operating result was particularly burdened by industrial action by the Finnish Airline Pilots' Association in April and by the ground service personnel's Finnish Aviation Union (IAU) in May and June. I want to extend my heartfelt apologies to each customer whose travel plans were disrupted by the industrial action.

We reached collective labour agreements with the pilots, cabin crew, and travel agency staff during the quarter. The Service Sector Employers Palta and the IAU also came to an agreement after the period, so we are once again able to operate our flights with the reliability that is expected of us.

The direct negative impact of the prolonged industrial action on second quarter revenue was around 41 million euros, on other operating income around 10 million euros, and on the comparable operating result around 29 million euros.

We had to cancel over 1,300 flights during the quarter due to the industrial action, incurring costs related to customer rerouting and care, as well as compensation for delays. To support our customers' important travel plans, we allowed them to reschedule flights away from the disruption days without additional fees, which reduced sales on the days to which flights were moved. The uncertainty caused by the disruptions also affected demand for our flights and customer satisfaction. Restoring customer trust and satisfaction is of primary importance to us, and we are systematically working towards this by taking care of our customers and their needs as well as possible, both in the development of our product and services and in our daily operations.

Despite the disruptions caused by industrial action, our operational quality remained high, and we were able to operate 94% of our flights as planned. During the summer season, we operate about 350 flights per day, and even on disruption days, we managed to operate 60–75% of our flights. We have invested in improving the customer experience, particularly in terms of the smoothness of rerouting and customer communication, aiming to mitigate the negative impact of industrial action on our customers during the important summer travel season.

During the quarter, general market uncertainties increased, which began to affect demand for transatlantic flights, and customers' booking windows became shorter. Our North American traffic grew significantly, but the growth rate was more moderate than previously planned, and average ticket fares in the area declined. In other markets, demand developed as expected. We continued optimising our network and announced new summer 2026 routes to Toronto, Canada, and Alta in Northern Norway. We also added flights to Finnish Lapland for the winter 2025 season.

In June, air travellers chose Finnair as the Best Airline in Northern Europe for the 15th consecutive time, and our cabin crew was also named the best in Northern Europe. This recognition is owed especially to Finnair employees in the front line who work with dedication every day to ensure safe and smooth flights.

Key performance indicators

EUR in millions, unless otherwise indicated	Q2 2025	Q2 2024	Change %	Q1–Q2 2025	Q1–Q2 2024	Change %	2024
Revenue and profitability							
Revenue	787.7	766.1	2.8	1,481.9	1,447.6	2.4	3,048.8
Comparable operating result	10.3	43.6	-76.5	-52.3	32.0	<-200	151.4
Comparable operating result, % of revenue	1.3	5.7	-4.4 %-p	-3.5	2.2	-5.7 %-p	5.0
Operating result	19.2	42.5	-55.0	-34.2	25.3	<-200	114.2
Operating result, % of revenue	2.4	5.5	-3.1 %-p	-2.3	1.8	-4.1 %-p	3.7
Comparable EBITDA, % of revenue	12.4	16.4	-4.1 %-p	8.1	13.6	-5.4 %-p	15.8
Result for the period	12.5	17.9	-30.3	-38.4	-12.0	<-200	37.0
Earnings per share (EPS), basic, EUR	0.06	0.09	-30.4	-0.19	-0.06	<-200	0.18
Earnings per share (EPS), diluted, EUR	0.06	0.09	-30.8	-0.19	-0.06	<-200	0.18
Unit revenue per available seat kilometre (RASK), cents/ASK	7.72	7.82	-1.3	7.66	7.73	-0.9	7.97
Unit revenue per revenue passenger kilometre (yield), cents/RPK	8.02	8.38	-4.4	8.01	8.38	-4.5	8.34
Unit cost per available seat kilometre (CASK), cents/ASK	7.62	7.37	3.3	7.93	7.56	4.9	7.57
CASK excluding fuel, cents/ASK	5.39	5.08	6.1	5.65	5.24	8.0	5.24
Capital structure							
Equity ratio, %	-	-	-	15.6	16.1	-0.5 %-p	16.9
Gearing, %	-	-	-	151.7	150.3	1.4 %-p	154.8
Interest-bearing net debt	-	-	-	835.0	909.4	-8.2	970.7
Interest-bearing net debt / Comparable EBITDA, LTM	-	-	-	2.1	1.9	9.0	2.0
Gross capital expenditure	76.7	49.8	54.2	124.4	93.1	33.6	463.8
Return on capital employed (ROCE), LTM, %	-	-	-	3.9	7.2	-3.3 %-p	6.2
Cash to sales, LTM, %	-	-	-	24.9	32.3	-7.4 %-p	29.0
Traffic							
Passengers*, 1,000	3,080	2,989	3.1	5,721	5,561	2.9	11,654
Flights, number	28,362	28,535	-0.6	55,715	54,170	2.9	111,722
Available seat kilometres (ASK), million	10,208	9,800	4.2	19,334	18,723	3.3	38,259
Revenue passenger kilometres (RPK), million	7,816	7,318	6.8	14,547	13,753	5.8	29,000
Passenger load factor (PLF), %	76.6	74.7	1.9 %-p	75.2	73.5	1.8 %-p	75.8
Available seat kilometres incl. wet lease out, million	10,620	10,440	1.7	20,309	19,980	1.6	40,830
Customer-centric commercial and operational excellence							
Net Promoter Score (NPS)	28	39	-26.9	31	37	-16.7	37
On-time performance, %	79.5	76.0	3.6 %-p	79.0	75.6	3.5 %-p	75.4
Share of passengers in modern channels, %	71.3	69.5	1.8 %-p	72.0	69.3	2.7 %-p	70.5
Average number of monthly visitors at finnair.com, millions	2.7	2.9	-6.9	2.8	2.9	-2.8	2.8
Active users for Finnair mobile app, thousands	1,147	1,100	4.3	1,123	1,082	3.8	1,057
Ancillary revenue	49.6	44.5	11.5	94.2	81.9	15.1	181.8
Ancillary revenue per passenger*, EUR	16.11	14.89	8.2	16.47	14.73	11.9	15.60
Among industry sustainability leaders							
Jet fuel total consumption, tonnes	271,549	260,248	4.3	514,223	501,434	2.6	1,031,296
Sustainable aviation fuel (SAF) usage, tonnes	3,576	257	> 200	6,674	1,961	> 200	4,685
Direct flight CO_2 emissions, tonnes	846,651	821,573	3.1	1,603,711	1,578,337	1.6	3,244,092
Direct flight CO_2 emissions, g/ASK	82.9	83.8	-1.1	82.9	84.3	-1.6	84.8
Direct flight CO_2 emissions, g/RTK	927.9	941.2	-1.4	936.5	952.1	-1.6	936.8
Adaptable Finnair culture driven by engaged people							
Average number of employees	5,878	5,593	5.1	5,758	5,464	5.4	5,533
Absences due to illness, %	3.8	3.4	0.5 %-p	4.3	4.1	0.1 %-p	4.2
Lost-time injury frequency (LTIF)	5.1	7.9	-34.8	5.2	6.8	-22.6	5.4
Attrition rate, LTM, %	-	-	-	2.3	2.8	-0.6 %-p	2.5

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

Business environment in April–June

Market demand developed positively year-on-year. Average ticket fares per revenue passenger kilometre remained stable across most markets, except for North Atlantic traffic, where fares declined, particularly for traffic originating from the United States. Demand growth on North Atlantic routes was moderated by customer sentiment, influenced by media coverage of the U.S., especially in Finland. In the Far East Asian market, demand outpaced capacity growth, with particularly strong performance on routes between Europe and Japan. Intra-European leisure traffic was negatively impacted by industrial action, which affected Finnair's operational reliability, leading to the cancellation of more than 1,300 flights.

Finnair has continued operating to most of its Asian destinations despite routings that are up to 40% 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 by ASKs, increased by 5.3% (11.3) between origin Helsinki and Finnair's European destinations and by 11.2% (15.6) between Finnair's Asian and European destinations. Between Finnair's North Atlantic and European destinations, scheduled market capacity decreased by 0.4% (6.0).

The capacity, demand, and load factor in allotment-based capacity of Aurinkomatkat's beach holiday packages increased slightly. Demand and prices were supported by Finland's cool and rainy weather. On the other hand, demand was burdened by industrial action and weakened consumer confidence, which was reflected in increased price sensitivity. Industrial action in Finland led to changes in flight schedules and reroutings, particularly affecting city holidays destinations. Despite these disruptions, Aurinkomatkat's Net Promoter Score (NPS) measuring customer satisfaction remained at a high level of 64 (65). Globally increased demand for popular travel destinations has raised hotel prices and reduced their availability. Sales of summer season holidays progressed well, and demand for winter holidays was also strong. Demand for city holidays declined compared to an exceptionally strong comparison period. Sales of city holidays to Doha were suspended due to the crisis in the Middle East. However, the crisis has not had a significant impact on the overall demand for travel packages.

Global air cargo demand grew steadily. In the early part of the period, U.S. tariff announcements triggered a front-loading effect, as shippers accelerated shipments to avoid the impending duties. However, in June, traffic to and from the Middle East and South Asia declined, impacted by local holidays and the escalation of conflict between Israel and Iran. Overall, market conditions remained uncertain, driven by ongoing geopolitical instability.

The US dollar, which is the most significant expense currency for Finnair after the euro, weakened by 5.0% against the euro from the comparison period. The US dollar-denominated average market price of jet fuel was 17.2% lower and the euro-denominated market price 21.4% 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 April–June

REVENUE IN APRIL–JUNE

Finnair's total revenue increased by 2.8% from the comparison period. Growth was seen across products, except for cargo.

Revenue by product

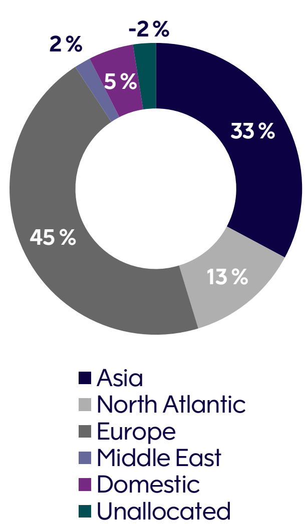
EUR million	Q2/2025	Q2/2024	Change %
Passenger revenue	626.8	613.5	2.2
Ancillary revenue	49.6	44.5	11.5
Cargo	51.2	51.4	-0.4
Travel services	60.1	56.7	6.0
Total	**787.7**	**766.1**	**2.8**

Unit revenue (RASK) declined by 1.3% and amounted to 7.72 cents (7.82), driven by a decline in average ticket fares and an increase in refunds, rerouting and compensations due to industrial action, which reduced passenger revenue.

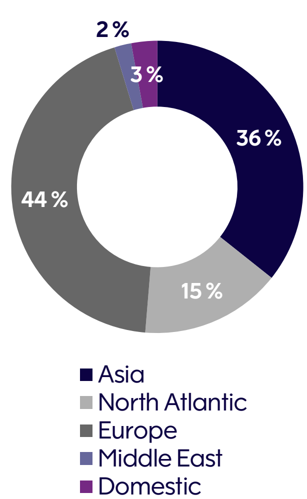
Passenger revenue and traffic data by area

	Passenger revenue		ASK		RPK		PLF	
Traffic area	Q2/2025 MEUR	Q2/2024 MEUR	Q2/2025 Mill. km	Q2/2024 Mill. km	Q2/2025 Mill. km	Q2/2024 Mill. km	%	Change %-p
Asia	216.5	181.0	3,642.2	3,261.7	2,792.8	2,421.3	76.7	2.4
North Atlantic	82.5	66.8	1,596.7	1,141.8	1,161.0	904.9	72.7	-6.5
Europe	299.5	285.1	4,485.2	4,433.8	3,509.1	3,344.8	78.2	2.8
Middle East	11.9	44.5	192.6	679.4	165.8	460.3	86.1	18.4
Domestic	32.8	33.0	291.2	283.2	187.1	186.5	64.3	-1.6
Unallocated	-16.5	3.1						
Total	**626.8**	**613.5**	**10,207.8**	**9,799.9**	**7,815.9**	**7,317.7**	**76.6**	**1.9**

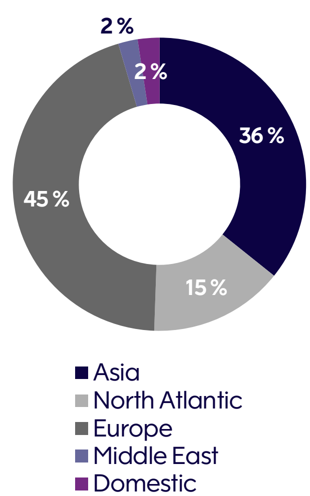
Q2 passenger revenue



Q2 capacity (ASKs)



Q2 traffic (RPKs)



Passenger revenue increased by 2.2%, while traffic capacity, measured by available seat kilometres (ASK), increased by 4.2%, driven by the new A350 wide-body aircraft received in December 2024. Capacity growth was burdened by industrial action that resulted in the cancellation of more than 1,300 flights. Including wet lease outs, ASKs increased by 1.7%. The number of passengers increased by 3.1% to 3,079,900 passengers[1]. Traffic, measured by revenue passenger kilometres (RPK), increased by 6.8%, and the passenger load factor (PLF) increased by 1.9 percentage points to 76.6%.

The reported distance-based traffic figures are based on the great-circle distance and, therefore, do not reflect the longer Asian routings caused by the closure of Russian airspace. As a result, they are not fully comparable with the figures prior to the airspace closure. During the period, adjusted ASKs, considering the longer sector lengths, would have been c. 15% higher than the reported ASKs.

In Asian traffic, ASKs increased by 11.7%, driven by added frequencies to Japan. RPKs increased by 15.3%. Therefore, the PLF increased by 2.4 percentage points to 76.7%.

In North Atlantic traffic, ASKs increased by 39.8%, as Seattle in the United States returned to the traffic programme for the summer season earlier than in the previous year, and more frequencies were also added to the rest of the country. RPKs increased by 28.3%. Consequently, the PLF declined by 6.5 percentage points to 72.7%.

In European traffic, ASKs increased by 1.2%. RPKs increased by 4.9%. Therefore, the PLF increased by 2.8 percentage points to 78.2%.

In Middle Eastern traffic, ASKs declined by 71.7%, primarily due to the end of cooperation with Qatar Airways on flights between Stockholm, Copenhagen and Doha on 15 January 2025. In addition, the heightened safety situation in the Middle East resulted in a temporary suspension of flights between Helsinki and Doha in June. RPKs declined by 64.0%. Consequently, the PLF increased by 18.4 percentage points to 86.1%.

Domestic traffic capacity increased by 2.8%. RPKs increased by 0.4%. Therefore, the PLF declined by 1.6 percentage points to 64.3%.

Ancillary revenue increased by 11.5% to 49.6 million euros (44.5) and ancillary revenue per passenger by 8.2% to 16.11 euros (14.89), supported by increased pick-up rates for baggage allowances and travel extras, as well as enhanced dynamic pricing. Advance seat reservations, excess baggage and frequent flyer programme-related revenue were the largest ancillary categories.

Revenue cargo tonne kilometres decreased by 2.4% and total cargo tonnes by 7.2%. Cargo revenue decreased by 0.4% due to industrial action causing flight cancellations and eventually shipment cancellations, as well as softening demand from Asia to the US. It should be noted that the cargo traffic figures related to the Qatar Airways cooperation are reported by Finnair as the operating carrier. However, revenue related to these flights is reported in passenger revenue in full.

Travel services' financial development was supported by Finland's cool and rainy weather. The performance was burdened by inflation, weak consumer confidence, as well as the rising prices and limited availability of hotels. The total number of travel service passengers decreased by 2.8% due to a decline in demand for city holidays. The load factor in allotment-based capacity was 93.5% (93.0). Travel service revenue increased by 6,0 percent to 60.1 million euros (56.7).

Other operating income declined by 34.5% to 21.2 million euros (32.4), as fewer wet lease out flights were operated due to industrial action.

OPERATING EXPENSES INCLUDED IN COMPARABLE OPERATING RESULT IN APRIL–JUNE

Finnair's operating expenses, included in comparable operating result, increased by 5.8%, mainly due to higher capacity rents, traffic charges as well as aircraft materials and overhaul costs. Cost efficiency actions were continued during the quarter.

Unit cost (CASK) increased by 3.3% and totalled 7.62 cents (7.37). CASK excluding fuel increased by 6.1% and amounted to 5.39 cents (5.08).

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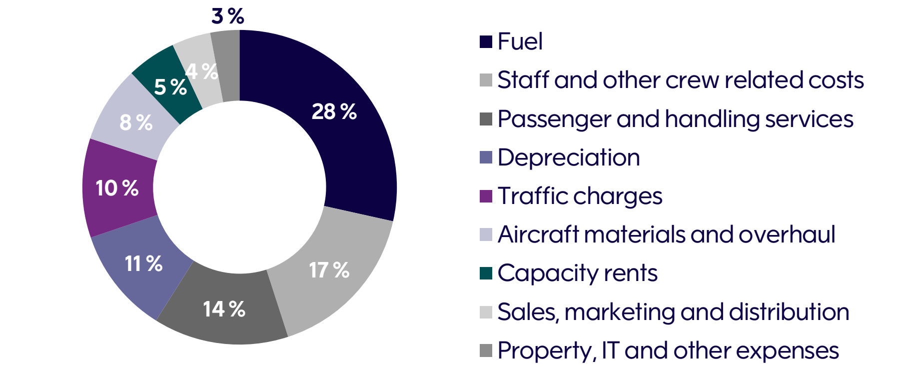
[1] The number of passengers and cargo tonnes for January-November 2024 were corrected in December 2024, with a total impact of 59,100 additional passengers and 828.7 additional cargo tonnes for the period.

Q2 operating expenses (€798.6 million in total) included in comparable operating result



EUR million	Q2/2025	Q2/2024	Change %
Staff and other crew related costs	131.8	130.3	1.1
Fuel costs	227.5	224.8	1.2
Capacity rents	40.7	27.6	47.3
Aircraft materials and overhaul	63.0	52.6	19.7
Traffic charges	81.7	68.5	19.1
Sales, marketing and distribution costs	31.8	31.4	1.3
Passenger and handling costs	111.1	106.8	4.1
Property, IT and other expenses	24.0	30.6	-21.6
Depreciation	87.0	82.2	5.9
Total	**798.6**	**754.9**	**5.8**

Operating expenses included in the comparable operating result, excluding fuel, increased by 7.7%.

Fuel costs, including hedging results and emissions trading costs, increased by 1.2% due to higher capacity and costs related to the EU's sustainable aviation fuel blending obligation and emissions trading scheme, despite a lower fuel price[2]. Fuel efficiency (as measured by fuel consumption per ASK) improved by 1.1%. Fuel consumption per revenue tonne kilometre (RTK), which accounts for developments in both passenger and cargo load factors, improved by 1.4%.

Capacity rents, covering purchased traffic from Norra and any wet lease ins, grew mainly due to wet lease ins related to industrial action.

Traffic charges as well as aircraft materials and overhaul costs increased due to price escalations.

Passenger and handling costs increased due to flight irregularities caused by industrial action and higher hotel prices.

Property, IT and other expenses declined, mainly driven by the weakening of the US dollar against the euro.

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

RESULT IN APRIL–JUNE

EUR million	Q2/2025	Q2/2024	Change %
Comparable EBITDA	**97.3**	**125.8**	**-22.7**
Depreciation and impairment	-87.0	-82.2	-5.9
Comparable operating result	**10.3**	**43.6**	**-76.5**
Items affecting comparability	8.9	-1.1	>200
Operating result	**19.2**	**42.5**	**-55.0**
Financial income	5.7	11.5	-50.7
Financial expenses	-21.4	-30.9	30.8
Exchange gains and losses	11.0	-0.6	>200
Result before taxes	**14.4**	**22.6**	**-36.1**
Income taxes	-1.9	-4.7	58.3
Result for the period	**12.5**	**17.9**	**-30.3**

Comparable EBITDA and comparable operating result both decreased due to higher costs. Industrial action had a direct negative impact of around 29 million euros on the comparable operating result.

Operating result was supported by items affecting comparability. Unrealised changes in foreign currencies relating to fleet overhaul provisions amounted to 7.5 million euros (-1.1) due to the weakening of the US dollar. Other items affecting comparability totalled 1.4 million euros (0.0) and consisted of fair value changes of derivatives for which hedge accounting is not applied and sales gains or losses, mostly related to a positive result impact from the lease buyouts of two A321 aircraft.

Net financial expenses declined, thanks to exchange gains and lower financial expenses. Result for the period was positive.

Financial performance in January–June

REVENUE IN JANUARY–JUNE

Finnair's total revenue increased by 2.4% from the comparison period. Growth was seen in all products.

Revenue by product

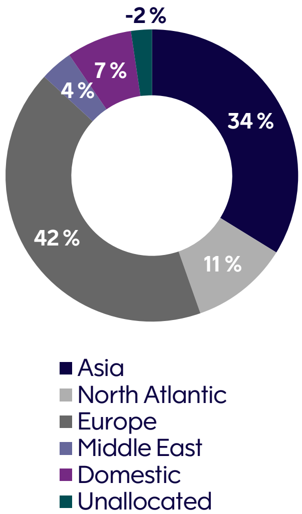
EUR million	Q1–Q2/2025	Q1–Q2/2024	Change %
Passenger revenue	1,165.2	1,152.9	1.1
Ancillary revenue	94.2	81.9	15.1
Cargo	101.3	97.6	3.8
Travel services	121.2	115.2	5.2
Total	**1,481.9**	**1,447.6**	**2.4**

Unit revenue (RASK) declined by 0.9% and amounted to 7.66 cents (7.73), driven by a decline in average ticket fares and an increase in refunds, rerouting and compensations due to industrial action, which reduced passenger revenue.

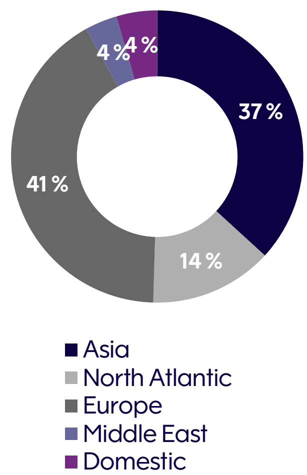
Passenger revenue and traffic data by area

	Passenger revenue		ASK		RPK		PLF	
Traffic area	**Q1–Q2/2025 MEUR**	**Q1–Q2/2024 MEUR**	**Q1–Q2/2025 Mill. km**	**Q1–Q2/2024 Mill. km**	**Q1–Q2/2025 Mill. km**	**Q1–Q2/2024 Mill. km**	**%**	**Change %-p**
Asia	412.8	360.4	7,119.8	6,814.5	5,574.9	4,938.1	78.3	5.8
North Atlantic	132.0	106.6	2,630.5	2,030.2	1,875.1	1,499.2	71.3	-2.6
Europe	515.7	493.5	8,015.2	7,588.2	5,955.3	5,687.8	74.3	-0.7
Middle East	44.0	96.6	694.0	1,450.9	582.7	1,055.0	84.0	11.3
Domestic	88.6	91.6	874.7	838.9	559.1	572.8	63.9	-4.4
Unallocated	-28.0	4.2						
Total	**1,165.2**	**1,152.9**	**19,334.2**	**18,722.8**	**14,547.1**	**13,752.9**	**75.2**	**1.8**

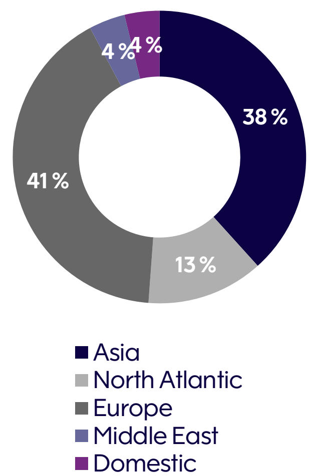
Q1–Q2 passenger revenue



Q1–Q2 capacity (ASKs)



Q1–Q2 traffic (RPKs)



Passenger revenue increased by 1.1%, while traffic capacity, measured by available seat kilometres (ASK), increased by 3.3%. 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. Furthermore, the fleet in service included the new A350 wide-body aircraft received in December 2024. Capacity growth was burdened by industrial action that resulted in the cancellation of more than 2,300 flights. Including wet lease outs, ASKs increased by 1.6%. The number of passengers increased by 2.9% to 5,720,600 passengers[3]. Traffic, measured by revenue passenger kilometres (RPK), increased by 5.8%, and the passenger load factor (PLF) increased by 1.8 percentage points to 75.2%.

The reported distance-based traffic figures are based on the great-circle distance and, therefore, do not reflect the longer Asian routings caused by the closure of Russian airspace. As a result, they are not fully comparable with the figures prior to the airspace closure. During the period, adjusted ASKs, considering the longer sector lengths, would have been c. 15% higher than the reported ASKs.

In Asian traffic, ASKs increased by 4.5%, driven by added frequencies to Japan. RPKs increased by 12.9%. Therefore, the PLF increased by 5.8 percentage points to 78.3%.

In North Atlantic traffic, ASKs increased by 29.6%, as Seattle in the United States returned to the traffic programme for the summer season earlier than in the previous year, and more frequencies were also added to the rest of the country. RPKs increased by 25.1%. Consequently, the PLF declined by 2.6 percentage points to 71.3%.

In European traffic, ASKs increased by 5.6%, as majority of the increase in narrow-body capacity was allocated to routes in Northern Europe. RPKs increased by 4.7%. Therefore, the PLF declined by 0.7 percentage points to 74.3%.

In Middle Eastern traffic, ASKs declined by 52.2% due to the end of cooperation with Qatar Airways on flights between Stockholm, Copenhagen and Doha on 15 January 2025. In addition, the heightened safety situation in the Middle East resulted in a temporary suspension of flights between Helsinki and Doha in June. RPKs declined by 44.8%. Consequently, the PLF increased by 11.3 percentage points to 84.0%.

Domestic traffic capacity increased by 4.3% due to the additional narrow-body capacity. RPKs declined by 2.4%. Therefore, the PLF decreased by 4.4 percentage points to 63.9%.

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

Ancillary revenue increased by 15.1% to 94.2 million euros (81.9) and ancillary revenue per passenger by 11.9% to 16.47 euros (14.73), supported by increased pick-up rates for baggage allowances and travel extras, as well as enhanced dynamic pricing. Advance seat reservations, excess baggage and frequent flyer programme-related revenue were the largest ancillary categories.

Revenue cargo tonne kilometres decreased by 3.9% and total cargo tonnes by 7.2%. Despite industrial action causing flight cancellations, cargo revenue increased by 3.8%, thanks to higher yields. It should be noted that the cargo traffic figures related to the Qatar Airways cooperation are reported by Finnair as the operating carrier. However, revenue related to these flights is reported in passenger revenue in full.

Travel services' financial development was supported by increased capacity in allotment-based production. The performance was burdened by inflation, weak consumer confidence, as well as the rising prices and limited availability of hotels. The total number of travel service passengers increased by 1.4%, while the load factor in allotment-based capacity was 93.1% (94.1). Travel service revenue increased by 5.2% to 121.2 million euros (115.2).

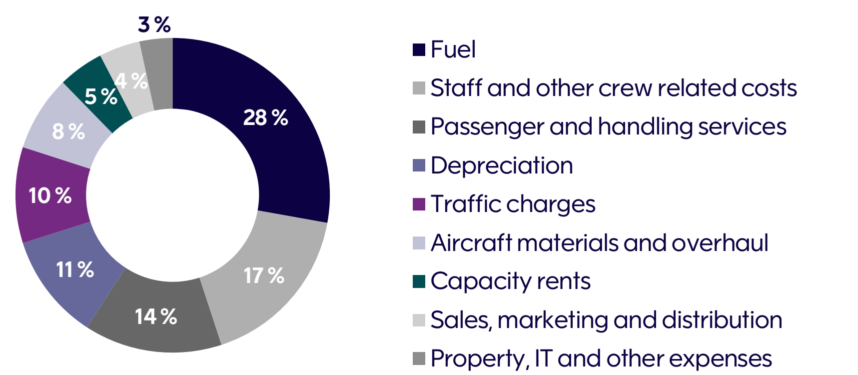
Other operating income declined by 21.5% to 51.0 million euros (64.9), as the wet lease outs of narrow-body capacity to British Airways ended in March 2024 and fewer wet lease out flights were operated due to industrial action.

OPERATING EXPENSES INCLUDED IN COMPARABLE OPERATING RESULT IN JANUARY–JUNE

Finnair's operating expenses, included in comparable operating result, increased by 7.1%, mainly due to higher traffic charges, aircraft materials and overhaul costs as well as capacity rents. Cost efficiency actions were continued during the period.

Unit cost (CASK) increased by 4.9% and totalled 7.93 cents (7.56). CASK excluding fuel increased by 8.0% and amounted to 5.65 cents (5.24).

Q1–Q2 operating expenses (€1,585.1 million in total) included in comparable operating result



EUR million	Q1–Q2/2025	Q1–Q2/2024	Change %
Staff and other crew related costs	271.8	260.0	4.5
Fuel costs	441.0	435.0	1.4
Capacity rents	74.2	54.8	35.3
Aircraft materials and overhaul	123.0	102.2	20.4
Traffic charges	156.7	130.8	19.8
Sales, marketing and distribution costs	66.6	63.8	4.5
Passenger and handling costs	225.5	210.0	7.4
Property, IT and other expenses	53.8	59.6	-9.8
Depreciation	172.6	164.3	5.1
Total	**1, 585.1**	**1,480.5**	**7.1**

Operating expenses included in the comparable operating result, excluding fuel, increased by 9.4%.

Fuel costs, including hedging results and emissions trading costs, increased by 1.4% due to higher capacity and costs related to the EU's sustainable aviation fuel blending obligation and emissions trading scheme, despite a lower fuel price[4]. Fuel efficiency (as measured by fuel consumption per ASK) improved by 1.6%. Fuel consumption per revenue tonne kilometre (RTK), which accounts for developments in both passenger and cargo load factors, improved by 1.6%.

Staff and other crew related costs as well as capacity rents, covering purchased traffic from Norra and any wet lease ins, grew mainly due to increased flight resourcing and wet lease ins related to industrial action. In addition, personnel in maintenance were strengthened.

Traffic charges as well as aircraft materials and overhaul costs increased due to price escalations. Aircraft materials and overhaul costs were further impacted by updated USD-based discount rates of maintenance reserves, which increased the costs by c. 3 million euros from the comparison period.

Passenger and handling costs increased due to flight irregularities caused by industrial action, higher hotel prices and increased capacity for Aurinkomatkat allotment production.

The increase in sales, marketing and distribution costs was also reflected in an increase in the unflown ticket liability.

Property, IT and other expenses declined, mainly driven by the weakening of the US dollar against the euro.

RESULT IN JANUARY–JUNE

EUR million	Q1–Q2/2025	Q1–Q2/2024	Change %
Comparable EBITDA	**120.3**	**196.3**	**-38.7**
Depreciation and impairment	-172.6	-164.3	-5.1
Comparable operating result	**-52.3**	**32.0**	**<-200**
Items affecting comparability	18.1	-6.7	>200
Operating result	**-34.2**	**25.3**	**<-200**
Financial income	12.9	22.5	-42.7
Financial expenses	-44.8	-58.6	23.5
Exchange gains and losses	16.7	-4.2	>200
Result before taxes	**-49.5**	**-15.0**	**<-200**
Income taxes	11.1	3.0	>200
Result for the period	**-38.4**	**-12.0**	**<-200**

Comparable EBITDA and comparable operating result both decreased due to higher costs. Industrial action had a direct negative impact of around 51 million euros on the comparable operating result.

Operating result was supported by items affecting comparability. Unrealised changes in foreign currencies relating to fleet overhaul provisions amounted to 12.3 million euros (-3.6) due to the weakening of the US dollar. During the period, Finnair recognised an impairment of 0.2 million euros (0.7) related to lease agreements for a maintenance hangar and its land area situated in the Helsinki airport area. Other items affecting comparability totalled 5.9 million euros and consisted of fair value changes of derivatives for which hedge accounting is not applied and sales gains or losses, mostly related to a positive result impact from lease buyouts of three A321 aircraft. In the comparison period, these items totalled -2.3 million euros and included also restructuring costs.

Net financial expenses declined, primarily thanks to exchange gains. Result for the period was negative.

Financial position and capital expenditure

BALANCE SHEET

The Group's balance sheet totalled 3,534.3 million euros at the end of June (31 Dec 2024: 3,721.0). Fleet book value increased by 0.2 million euros to 1,221.0 million euros (31 Dec 2024: 1,220.8), driven by investments made. The right-of-use fleet decreased by 60.5 million euros to 575.6 million euros (31 Dec 2024: 636.2) due to depreciation and lease buyouts.

Receivables related to revenue increased by 9.9 million euros to 175.0 million euros (31 Dec 2024: 165.1). Net deferred tax assets increased to 236.5 million euros (31 Dec 2024: 221.7). Pension assets increased to 98.6 million euros (31 Dec 2024: 95.0). Pension obligations remained unchanged at 0.6 million euros (31 Dec 2024: 0.6).

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

Deferred income and advances received increased by 167.7 million euros to 826.6 million euros (31 Dec 2024: 658.9), mainly due to an increase in the unflown ticket liability, which amounted to 668.1 million euros (31 Dec 2024: 525.4).

Shareholders' equity decreased to 550.6 million euros (31 Dec 2024: 627.1), or 2.69 euros per share (31 Dec 2024: 3.07), primarily due to the negative result for the period and return of capital. 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 after deferred taxes at the end of June was 46.8 million euros (31 Dec 2024: 61.8). The decrease was primarily due to changes in the fair values of jet fuel and currency derivatives used for hedging.

CASH FLOW AND FINANCIAL POSITION

Cash flow

EUR million	Q1–Q2/2025	Q1–Q2/2024
Net cash flow from operating activities	235.8	312.0
Net cash flow from investing activities	-156.5	-67.5
Net cash flow from financing activities	-197.2	-222.5

Net cash flow from operating activities decreased, primarily due to a weaker financial result. Net cash flow from investments was negative, mainly due to fleet-related investments. Net cash flow from financing activities was also negative. Loan repayments, including repayments of JOLCO (Japanese Operating Lease with Call Option) and ECA (Export Credit Agency) loans, totalled c. 107 million euros. Further, the company made lease liability repayments and paid the first instalment of the return of capital.

Capital structure

%	30 Jun 2025	31 Dec 2024
Equity ratio	15.6	16.9
Gearing	151.7	154.8

Equity ratio declined compared to the year-end 2024 due to the negative result for the period and return of capital. Gearing declined, thanks to lower interest-bearing net debt.

Liquidity and net debt

EUR million	30 Jun 2025	31 Dec 2024
Cash funds	767.4	884.0
Adjusted interest-bearing liabilities	1,602.4	1,854.7
Interest-bearing net debt	**835.0**	**970.7**

The company's liquidity at the end of the period remained at a healthy level. Furthermore, Finnair has a secured revolving credit facility[5] of 200 million euros for general corporate purposes. The arrangement was unused at the end of the period and carries a three-year tenor until April 2027 with a one-year extension option.

Adjusted interest-bearing liabilities decreased from year-end 2024, thanks to loan and lease liability repayments. The share of lease liabilities totalled 840.1 million euros (31 Dec 2024: 1,004.4).

CAPITAL EXPENDITURE

In January–June, gross capital expenditure, excluding advance payments, totalled 124.4 million euros (93.1) 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 -123.7 million euros (-68.1). Investments included the lease buyouts of three A321 aircraft.

Change in other current financial assets (maturity over three months) totalled -32.8 million euros (0.6) and is part of the total net cash flow from investments, which amounted to -156.5 million euros (-67.5).

[5] The financial covenant of the facility is a net debt to EBITDA ratio of 3.75 or less. At the end of the period, Finnair's ratio was 2.1.

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 -187 million euros. The investment cash flow includes both committed investments as well as estimates for planned, but not yet committed, investments.

The company has 49 unencumbered aircraft, which account for approximately 46.5% of the balance sheet value of the entire fleet of 1,796.7 million euros.[6]

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 June, Finnair itself operated 56 aircraft, of which 26 were wide-body and 30 narrow-body aircraft. The average age of the fleet operated by Finnair was 13.7 years.

Fleet operated by Finnair* 30 Jun 2025	Seats	#	Change from 31 Dec 2024	Own**	Leased	Average age 30 Jun 2025	Ordered
Narrow-body fleet							
Airbus A319	144	5	-	5	0	24.1	-
Airbus A320	174	10	-	10	0	22.9	-
Airbus A321	209	15	-	11	4	10.9	-
Wide-body fleet							
Airbus A330	279	8	-	4	4	15.7	-
Airbus A350	278/321	18	-	7	11	7.3	1
Total		**56**	**-**	**37**	**19**	**13.7**	**1**

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

FLEET RENEWAL

At the end of June, Finnair had eighteen A350 wide-body aircraft, which were delivered between 2015–2024, and one A350 aircraft on order from Airbus. The last wide-body aircraft on order is scheduled to be delivered to Finnair in Q4 2026. Finnair is also preparing a partial renewal of its narrow-body fleet.

Finnair's investment commitments for property, plant and equipment, totalling 151 million euros, include the upcoming wide-body aircraft investment.

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* 30 Jun 2025	Seats	#	Change from 31 Dec 2024	Own	Leased	Average age 30 Jun 2025	Ordered
ATR	68–70	12	-	6	6	15.9	-
Embraer E190	100	12	-	9	3	17.0	-
Total		**24**	**-**	**15**	**9**	**16.5**	**-**

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

[6] Fleet value includes right of use assets, as well as prepayments of future aircraft deliveries.

Strategy implementation

Finnair's current strategy period ends at the end of 2025. An updated strategy will be communicated during 2025. At the heart of the strategy that is currently being finalized is understanding the needs of customers, especially the customers who fly the most.

The current strategy themes 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

Finnair's current financial targets are a comparable operating profit margin of 6% by the end of 2025, a net debt of 1–2 times comparable EBITDA by the end of 2025 and restoration of the company's ability for shareholder distributions from 2025 onwards. The net debt to comparable EBITDA ratio was 2.1 at the end of June. The company distributes a return of capital of 0.11 euros per share in 2025.

In 2024, Finnair decided to align its long-term climate ambition with the industry's united objective of achieving net-zero carbon emissions by 2050. The strategy theme related to sustainability is discussed in more detail in the Sustainability and corporate responsibility section.

Finnair's long-term financial targets are based on the following key assumptions: the company's overall capacity, measured by Available Seat Kilometres (ASK), would increase by more than 15% 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[7], which would limit the corporate tax payable over the medium term; and the company would maintain a cash to sales ratio of 30% over time.

CUSTOMER-CENTRIC COMMERCIAL AND OPERATIONAL EXCELLENCE

The average monthly number of unique and verified Finnair website visitors in April–June declined by 6.9% from the comparison period and totalled 2.7 million (2.9). The number of active users of the Finnair mobile application increased by 4.3% to 1,147,000. The share of passengers in Finnair's modern channels[8] increased to 71.3% (69.5), driven by the increasing NDC (New Distribution Capability) share in all customer segments.

In April–June, Finnair's on-time performance improved to 79.5% (76.0). Finnair's Net Promoter Score (NPS) measuring customer satisfaction declined to 28 (39) due to industrial action that caused disruptions in customers' journeys.

In June, air travellers voted Finnair the best airline in Northern Europe at the Skytrax Awards for the 15th consecutive time. Finnair continues to invest in customer experience, and the cabin renewal of Embraer aircraft used in European traffic is underway. In June, already six Embraer cabins had been refurbished. In May, Finnair expanded its ancillary services with priority check-in and security check to help customers make their travel even smoother.

BALANCED GROWTH SUPPORTED BY OPTIMISED FLEET

In February 2025, Finnair announced that it is preparing a partial renewal of its narrow-body fleet. The planning process considers different scenarios of what the company's network will need in the future. The gradual renewal of the fleet will also support the achievement of emission reduction targets. More details on the investments will be provided as the planning work progresses.

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[7] On 30 June 2025, Finnair had 213 million euros of recognised deferred tax assets related to confirmed tax losses, which would limit payable corporate taxes when utilised.
[8] Modern sales channels include direct as well as modern, digital indirect channels.

CONTINUOUS COST EFFICIENCY TO ENSURE COMPETITIVENESS

During the period, Finnair continued to advance cost-efficiency projects and initiated new projects that, among other things, utilise opportunities offered by artificial intelligence to improve the efficiency of operations.

BUILDING A SUSTAINABLE BALANCE SHEET

During April–June, Finnair's financial position weakened, as its net cash flow from operating activities was lower compared to the comparison period. Finnair purchased two A321 aircraft that had previously been leased.

Supported by the strong financial position, the company is well positioned to move into a new phase and invest in customer experience, fleet and employee experience.

ADAPTABLE FINNAIR CULTURE DRIVEN BY ENGAGED PEOPLE

In April–June, Finnair recorded an average employment of 5,878 people (5,593), which was 5.1% more than in the corresponding period in the previous year. Total headcount was 5,942 (5,673) at the end of June, indicating a 4.7% growth in a year and a 4.1% growth compared to the end of March. Finnair hired 276 new employees, primarily as cabin crew members, Finnair Kitchen catering workers and aircraft maintenance personnel. Attrition rate was 2.3% (2.8) and absences due to illness 3.8% (3.4). LTIF (Lost-time Injury Frequency) developed positively, reaching 5.1 (7.9).

Sustainability and corporate responsibility

Finnair is committed to protecting the air bridge from one of the world's northernmost air traffic hubs to the world and recognises the crucial role of aviation in ensuring social cohesion, connectivity, and access to internal markets for all regions. However, Finnair also acknowledges the role of aviation emissions as a contributor to global climate change, which necessitates action and commitment to reducing Finnair's climate footprint. These efforts are also necessary to ensure the future availability of benefits that air travel provides to people and businesses.

Finnair's operations have a material impact on social sustainability, as it pertains to own workforce, value chain workers, affected communities, and customers. Finnair is committed to responsible business practices and respects all internationally recognised human rights principles, both in its own operations and throughout its value chain.

Finnair has set its Science Based Targets initiative (SBTi) validated emissions reduction target for the next ten years, which supports limiting global warming to 1.5 degrees as determined in the Paris Agreement. This target entails a 34.5% reduction in well-to-wake Scope 1 and 3 jet fuel greenhouse gas emissions per revenue tonne kilometre (RTK) by 2033 from the 2023 base year. Translated to absolute CO2e emissions, the target equates to a reduction of approximately 13% in CO2e emissions. Non-CO2 factors, such as contrails, are not included in this target, as their comparability with CO2 emissions is challenging, and applicable mitigation measures are still being developed. Finnair is developing its understanding of all its climate-warming emissions and is preparing to report on the impact of its non-CO2 emissions for the first time for the year 2025.

In its efforts to reduce the use of fossil fuels, Finnair will primarily focus on increasing the use of renewable aviation fuel (SAF) and modernising its aircraft. The company sees the greatest potential in increasing the share of renewable fuels, as the use of alternative energy sources in aircraft has been delayed for several decades. Potential challenges include the availability and price trajectory of SAF, procurement of new aircraft, and uncertainty regarding policy frameworks. These factors may impact Finnair's plans.

Sustainability KPIs

	Q2/2025	Q2/2024
Emission efficiency (well-to-wake), CO2 g/RTK	980	995
Sustainable aviation fuel (SAF) usage, %	1.3	0.2
Accessibility NPS	37	40
Lost time incident frequency (LTIF)	5.1	7.9

In April–June, Finnair's flight emission efficiency improved by 1.5% from the comparison period. The most significant factor contributing to the change was the beginning of EU's SAF blending obligation.

Finnair used approximately 3,576 tonnes (257) of sustainable aviation fuel, which represented around 1.3% (0.1) of total fuel consumption. Of this SAF, the majority consisted of the EU's mandate for fuel suppliers. The SAF used was fully ISCC RED certified.

Finnair customers have been able to support the use of SAF in connection with their flight bookings since 27 November 2024. With these funds, Finnair will purchase additional SAF, which will be acquired twice a year, at the beginning of the first and third quarter.

Changes in company management

On 14 February, Finnair announced that CFO Kristian Pullola has decided to leave the company. He continues actively in his current role, until he leaves Finnair no later than 12 August 2025.

On 5 May, Finnair announced that it has appointed Pia Aaltonen-Forsell, M. Soc.Sc. (Econ.), MBA (51) as CFO and member of the Executive Board as of 1 August 2025. Aaltonen-Forsell started working at Finnair on 15 June.

Shares and shareholders

Shares

	30 Jun 2025	31 Dec 2024
Number of shares	204,811,392	204,811,392
Treasury shares	20,837	256,284
Shares outstanding	204,790,555	204,555,108
Market capitalisation, EUR million	549.3	452.9

At the end of June, the number of treasury shares held by Finnair represented 0.0% of the total number of shares and votes.

Trading of shares

	Q1–Q2/2025	Q1–Q2/2024
Number of shares traded	51,397,342	1,461,535,363
Total value, EUR million	151.1	111.5
Highest price, EUR	3.97	3.28*
Lowest price, EUR	2.21	2.57*
Volume-weighted average price, EUR	2.94	3.08*
Closing price, EUR	2.68	2.62

* The figures have been restated due to the reverse split executed on 20 March 2024 to make them comparable.

At the end of the period, the Finnish state owned 55.7% (31 Dec 2024: 55.7) of Finnair's shares, while 10.9% (31 Dec 2024: 9.1) were held by foreign investors or in the name of a nominee.

Effective authorisations granted by the Annual General Meeting

Finnair's Annual General Meeting (AGM) was held in Vantaa on 27 March 2025.

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 shall not exceed 7,300,000 shares, which corresponds to approximately 3.6% 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.

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 1,200,000 shares, which corresponds to approximately 0.6% of all the shares in the Company. The authorisation is effective for a period of 18 months from the resolution of the AGM.

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 that the Board of Directors be authorised to determine 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 AGM.

The resolutions of the AGM are available in full on the company's website https://investors.finnair.com/en/governance/general-meetings/agm-25.

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 outlook at least for the next 12 months. This list is not intended to be exhaustive.

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. Military events near the Finnish border could negatively impact customers' willingness to travel. Unrest or other tensions in different parts of the world could lead to closures of airspaces that are critical for Finnair's business. Potentially increasing protectionism and tariffs in the political environment may have an adverse impact on direct and indirect costs and the market access required for the implementation of Finnair's strategy. Cyber-attacks and other potential external disruptions, a possible escalation of the war in Ukraine 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 or the flight network. Many of the information systems and technology that Finnair depends on are shared with other airlines, and cyber-attacks or system failures could cause significant disruptions in Finnair's and/or the industry's operations.

The macroeconomic environment can have a negative impact on Finnair's business. 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 inflation, a recession, or changes in taxation, may have an adverse impact on private consumption and, consequently, on the demand for air travel and cargo. The recovery of business travel to pre-Covid-19 levels is likely to be affected by the adoption of virtual and teleconferencing tools. Unfavourable developments in macroeconomic conditions may result in reduced access to capital.

Jet fuel price fluctuations may have a material effect on Finnair's financial performance and cash flow. 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 outlook. The volatile market impacts the pricing and availability of hedging instruments. Fluctuations in foreign exchange rates, particularly between the euro and the U.S. dollar, may have an adverse effect on Finnair. Finnair's foreign exchange risk arises mainly from fuel and aircraft purchases and maintenance, and aircraft lease payments.

Safety risks may arise due to various reasons, such as technical failures, human error, adverse weather conditions or security threats. A serious safety incident could have an impact on Finnair's ability to operate, harm the company brand, and/or lead to a more costly way of managing the risk in the future. 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.

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.

Quality and availability issues with suppliers and their products or services may result in unexpected additional costs or disruptions in Finnair's operations. Certain markets are centralised with a limited number of vendors available, which can lead to abnormal price increases, poor availability of alternative suppliers or disruptions in operations. High inflation may lead to higher price increases than expected.

A poor reputation or brand, or events that harm Finnair's reputation and brand, could have a negative impact on the demand for Finnair's product. Brand or reputation issues could lead to difficulties in obtaining stakeholder support, for example, in critical financing, investment and partnership transactions, or recruiting and maintaining qualified personnel.

Capacity increases, product improvements or more aggressive pricing among Finnair's existing or new competitors may influence the demand for, and yield of, Finnair's services. New market entrants could disrupt Finnair's business. The introduction of new digital technologies and distribution channels, in turn, involves implementation as well as commercial risks.

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

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, may result in flight cancellations, increased waiting times, increased fuel consumption or higher costs associated with aircraft de-icing, which could cause additional costs for Finnair and thus have an adverse effect on Finnair's results and financial condition.

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%, while the lower limit is 68% and the average hedging ratio approximately 80%. 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 36 million
Average yield of passenger traffic	EUR 26 million
Unit cost (CASK excl. fuel)	EUR 23 million

Fuel sensitivities (rolling 12 months from date of financial statements)	**10% change without hedging**	**10% change, taking hedging into account**
Fuel	EUR 65 million	EUR 36 million

Fuel hedging and average hedged price (rolling 18 months from date of financial statements)	**Hedged fuel, tonnes***	**Average hedge price, USD/tonne* ****
Q3 2025	237,000	760
Q4 2025	162,000	737
Q1 2026	123,000	731
Q2 2026	105,000	706
Q3 2026	60,000	720
Q4 2026	30,000	685
Total	**717,000**	**735**

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

Currency distribution, %	Q2 2025	Q2 2024	Q1–Q2 2025	Q1–Q2 2024	2024	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	59	59	61	60	59	-	-	-
USD*	9	11	8	10	10	see below	see below	see below
JPY	7	5	6	5	5	EUR 16 million	EUR 7 million	55%
KRW	2	3	2	3	3	-	-	-
SEK	4	3	4	4	4	-	-	-
GBP	3	3	4	3	4	-	-	-
NOK	3	2	3	2	2	-	-	-
Other	13	13	13	13	14	-	-	-
Purchase currencies								
EUR	64	58	62	58	58	-	-	-
USD*	31	36	32	36	35	EUR 62 million	EUR 32 million	54%
Other	5	6	6	7	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 June, the hedging ratio of USD denominated interest-bearing liabilities (including IFRS 16) was approximately 89%.

Events after the period

On 13 July 2025, Finnair announced that the Service Sector Employers Palta and the Finnish Aviation Union (IAU) approved the settlement proposal presented by the National Conciliator. The proposal forms the basis for a new collective agreement for aviation services. The new agreement will be in effect for approximately 1.5 years, ending on 15 January 2027. The proposed wage solution aligns with the general labour market framework.

Financial reporting in 2025

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

- 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 16 July 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/2025-07-16-media.

An English-language telephone conference and webcast will begin on 16 July 2025 at 1:00 p.m. Finnish time. To access the telephone conference, kindly register at https://events.inderes.com/finnairgroup/q2-2025/dial-in. After the registration, you will be provided with phone numbers and a conference ID. To join the live webcast, please register at https://finnairgroup.events.inderes.com/q2-2025.

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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	Q2 2025	Q2 2024	Change %	Q1-Q2 2025	Q1-Q2 2024	Change %	2024
Operating result	**19.2**	**42.5**	**-55.0**	**-34.2**	**25.3**	**<-200**	**114.2**
Unrealized changes in foreign currencies of fleet overhaul provisions	-7.5	1.1	<-200	-12.3	3.6	<-200	6.1
Fair value changes of derivatives where hedge accounting is not applied	-0.1	0.2	-169.5	0.1	1.6	-93.1	1.5
Sales gains and losses on aircraft and other transactions	-1.3	-0.0	<-200	-6.0	-0.0	<-200	-12.0
Impairment	-	-	-	0.2	0.7	-78.4	0.7
Changes in defined benefit pension plans	-	-	-	-	-	-	40.2
Restructuring costs	-	-0.2	100.0	-	0.8	-100.0	0.8
Comparable operating result	**10.3**	**43.6**	**-76.5**	**-52.3**	**32.0**	**<-200**	**151.4**
Depreciation	87.0	82.2	5.9	172.6	164.3	5.1	329.5
Comparable EBITDA	**97.3**	**125.8**	**-22.7**	**120.3**	**196.3**	**-38.7**	**480.9**

Equity ratio EUR in millions, unless otherwise indicated	30 Jun 2025	30 Jun 2024	Change %	31 Dec 2024
Equity total	550.6	605.2	-9.0	627.1
Equity and liabilities total	3,534.3	3,770.2	-6.3	3,721.0
Equity ratio, %	**15.6**	**16.1**	**-0.5 %-p**	**16.9**

Gearing, interest-bearing net debt and interest-bearing net debt / Comparable EBITDA, LTM EUR in millions, unless otherwise indicated	30 Jun 2025	30 Jun 2024	Change %	31 Dec 2024
Lease liabilities	840.1	1,087.2	-22.7	1,004.4
Other interest-bearing liabilities	741.4	789.5	-6.1	860.8
Cross currency interest rate swaps*	20.9	-1.0	> 200	-10.5
Adjusted interest-bearing liabilities	**1,602.4**	**1,875.6**	**-14.6**	**1,854.7**
Other financial assets	-592.7	-795.8	25.5	-664.9
Cash and cash equivalents	-174.7	-170.4	-2.5	-219.1
Cash funds	**-767.4**	**-966.3**	**20.6**	**-884.0**
Interest-bearing net debt	**835.0**	**909.4**	**-8.2**	**970.7**
Equity total	550.6	605.2	-9.0	627.1
Gearing, %	**151.7**	**150.3**	**1.4 %-p**	**154.8**
Comparable EBITDA, LTM	404.9	480.9	-15.8	480.9
Interest-bearing net debt / Comparable EBITDA, LTM	**2.1**	**1.9**	**9.0**	**2.0**

* 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 9 and 10, is considered an interest-bearing liability in the net debt calculation.

Gross capital expenditure EUR in millions	Q2 2025	Q2 2024	Change %	Q1-Q2 2025	Q1-Q2 2024	Change %	2024
Additions in fixed assets	64.2	37.7	70.4	109.5	67.0	63.3	419.7
New contracts in right-of-use assets	1.6	2.8	-42.0	2.1	12.2	-82.5	13.9
Reassessments and modifications in right-of-use assets	10.9	9.2	17.6	12.8	13.9	-7.7	30.2
Gross capital expenditure	**76.7**	**49.8**	**54.2**	**124.4**	**93.1**	**33.6**	**463.8**

Return on capital employed (ROCE), LTM EUR in millions, unless otherwise indicated	30 Jun 2025	30 Jun 2024	Change %	31 Dec 2024
Result before taxes, LTM	11.6	67.9	-82.9	46.1
Financial expenses, LTM	93.4	128.0	-27.0	107.2
Exchange rate gains and losses, LTM	-15.1	-0.2	<-200	5.8
Return, LTM	**89.9**	**195.7**	**-54.1**	**159.1**
Equity total	550.6	605.2	-9.0	627.1
Lease liabilities	840.1	1,087.2	-22.7	1,004.4
Other interest-bearing liabilities	741.4	789.5	-6.1	860.8
Capital employed	**2,132.0**	**2,481.8**	**-14.1**	**2,492.3**
Capital employed, average of reporting period and comparison period	**2,306.9**	**2,706.0***	**-14.7**	**2,547.4***
Return on capital employed (ROCE), LTM, %	**3.9**	**7.2**	**-3.3 %-p**	**6.2**

* Capital employed accounted was EUR 2,930.2 million as at 30 Jun 2023 and EUR 2,602.5 million as at 31 Dec 2023.

Cash to sales, LTM EUR in millions, unless otherwise indicated	30 Jun 2025	30 Jun 2024	Change %	31 Dec 2024
Other financial assets	592.7	795.8	-25.5	664.9
Cash and cash equivalents	174.7	170.4	2.5	219.1
Cash funds	**767.4**	**966.3**	**-20.6**	**884.0**
Revenue, LTM	3,083.1	2,992.1	3.0	3,048.8
Cash to sales, LTM, %	**24.9**	**32.3**	**-7.4 %-p**	**29.0**

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

Consolidated half-year financial report 1 Jan – 30 Jun 2025

CONSOLIDATED INCOME STATEMENT

EUR in millions	Note	Q2 2025	Q2 2024	Q1-Q2 2025	Q1-Q2 2024	2024
Revenue	**4**	**787.7**	**766.1**	**1,481.9**	**1,447.6**	**3,048.8**
Other operating income	5	22.5	32.4	57.0	64.9	140.0
Operating expenses						
Staff and other crew related costs	6	-131.8	-130.1	-271.8	-260.8	-559.5
Fuel costs		-227.4	-225.0	-441.1	-436.5	-894.4
Capacity rents		-40.7	-27.6	-74.2	-54.8	-111.7
Aircraft materials and overhaul		-55.5	-53.8	-110.7	-105.8	-223.0
Traffic charges		-81.7	-68.5	-156.7	-130.8	-270.6
Sales, marketing and distribution costs		-31.8	-31.4	-66.6	-63.8	-123.0
Passenger and handling services		-111.1	-106.8	-225.5	-210.0	-440.3
Depreciation and impairment	7	-87.0	-82.2	-172.8	-165.0	-330.3
Property, IT and other expenses		-24.0	-30.6	-53.8	-59.6	-121.7
Operating result		**19.2**	**42.5**	**-34.2**	**25.3**	**114.2**
Financial income		5.7	11.5	12.9	22.5	44.9
Financial expenses		-21.4	-30.9	-44.8	-58.6	-107.2
Exchange rate gains and losses		11.0	-0.6	16.7	-4.2	-5.8
Result before taxes		**14.4**	**22.6**	**-49.5**	**-15.0**	**46.1**
Income taxes	11	-1.9	-4.7	11.1	3.0	-9.1
Result for the period		**12.5**	**17.9**	**-38.4**	**-12.0**	**37.0**
Attributable to						
Owners of the parent company		12.5	17.9	-38.4	-12.0	37.0
Earnings per share attributable to shareholders of the parent company, EUR						
Basic earnings per share		0.06	0.09	-0.19	-0.06	0.18
Diluted earnings per share		0.06	0.09	-0.19	-0.06	0.18

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR in millions	Q2 2025	Q2 2024	Q1-Q2 2025	Q1-Q2 2024	2024
Result for the period	**12.5**	**17.9**	**-38.4**	**-12.0**	**37.0**
Other comprehensive income items					
Items that may be reclassified to profit or loss in subsequent periods					
Change in fair value of hedging instruments	-19.7	-0.8	-26.5	42.7	3.8
Tax effect	3.9	0.2	5.3	-8.5	-0.8
Items that will not be reclassified to profit or loss in subsequent periods					
Actuarial gains and losses from defined benefit plans	9.7	5.1	7.8	8.6	12.6
Tax effect	-1.9	-1.0	-1.6	-1.7	-2.5
Other comprehensive income items total	**-8.0**	**3.4**	**-15.0**	**41.0**	**13.2**
Comprehensive income for the period	**4.4**	**21.3**	**-53.4**	**29.0**	**50.1**
Attributable to					
Owners of the parent company	4.4	21.3	-53.4	29.0	50.1

CONSOLIDATED BALANCE SHEET

EUR in millions	Note	30 Jun 2025	30 Jun 2024	31 Dec 2024
ASSETS				
Non-current assets				
Fleet	12	1,221.0	1,026.0	1,220.8
Right-of-use fleet	13	575.6	713.3	636.2
Fleet total		1,796.7	1,739.3	1,857.0
Other fixed assets	12	142.5	141.9	141.2
Right-of-use other fixed assets	13	139.5	152.8	143.9
Other fixed assets total		282.0	294.7	285.0
Pension assets		98.6	131.5	95.0
Other non-current assets		61.5	3.3	59.8
Deferred tax assets	11	236.5	226.7	221.7
Non-current assets total		**2,475.3**	**2,395.5**	**2,518.6**
Current assets				
Receivables related to revenue		175.0	204.4	165.1
Inventories and other current assets		80.1	142.9	86.8
Derivative financial instruments	9, 10	36.5	61.2	66.5
Other financial assets	10	592.7	795.8	664.9
Cash and cash equivalents		174.7	170.4	219.1
Current assets total		**1,059.0**	**1,374.7**	**1,202.4**
Assets total		**3,534.3**	**3,770.2**	**3,721.0**
EQUITY AND LIABILITIES				
Equity attributable to owners of the parent				
Share capital		75.4	75.4	75.4
Other equity		475.1	529.7	551.7
Equity total		**550.6**	**605.2**	**627.1**
Non-current liabilities				
Lease liabilities	14	701.7	911.1	839.7
Other interest-bearing liabilities	14	684.5	607.3	735.4
Pension obligations		0.6	0.8	0.6
Provisions and other liabilities	15	94.2	130.6	122.0
Non-current liabilities total		**1,481.0**	**1,649.8**	**1,697.7**
Current liabilities				
Lease liabilities	14	138.4	176.0	164.6
Other interest-bearing liabilities	14	56.9	182.2	125.4
Provisions	15	16.3	31.5	31.3
Trade payables		56.5	103.4	58.9
Derivative financial instruments	9, 10	98.6	34.1	62.6
Deferred income and advances received	16	826.6	716.8	658.9
Liabilities related to employee benefits		108.6	101.6	112.8
Other liabilities		200.9	169.6	181.5
Current liabilities total		**1,502.8**	**1,515.2**	**1,396.2**
Liabilities total		**2,983.8**	**3,165.0**	**3,093.9**
Equity and liabilities total		**3,534.3**	**3,770.2**	**3,721.0**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR in millions	Share capital	Other restricted funds	Hedging reserve and other OCI items	Unrestricted equity funds	Retained earnings	Equity total
Equity 1 Jan 2025	**75.4**	**168.1**	**61.8**	**1,325.0**	**-1,003.3**	**627.1**
Result for the period	**-**	**-**	**-**	**-**	**-38.4**	**-38.4**
Change in fair value of hedging instruments	-	-	-21.2	-	-	-21.2
Actuarial gains and losses from defined benefit plans	-	-	6.2	-	-	6.2
Other comprehensive income items total	**-**	**-**	**-15.0**	**-**	**-**	**-15.0**
Comprehensive income for the period	**-**	**-**	**-15.0**	**-**	**-38.4**	**-53.4**
Return of capital	-	-	-	-22.5		-22.5
Share-based payments	-	-	-	-0.7	-	-0.7
Equity 30 Jun 2025	**75.4**	**168.1**	**46.8**	**1,301.8**	**-1,041.6**	**550.6**

EUR in millions	Share capital	Other restricted funds	Hedging reserve and other OCI items	Unrestricted equity funds	Retained earnings	Equity total
Equity 1 Jan 2024	**75.4**	**168.1**	**48.6**	**1,325.0**	**-1,040.2**	**577.0**
Result for the period	**-**	**-**	**-**	**-**	**-12.0**	**-12.0**
Change in fair value of hedging instruments	-	-	34.1	-	-	34.1
Actuarial gains and losses from defined benefit plans	-	-	6.9	-	-	6.9
Other comprehensive income items total	**-**	**-**	**41.0**	**-**	**-**	**41.0**
Comprehensive income for the period	**-**	**-**	**41.0**	**-**	**-12.0**	**29.0**
Share issue costs	-	-	-	-0.1	-	-0.1
Share-based payments	-	-	-	-0.7	-	-0.7
Equity 30 Jun 2024	**75.4**	**168.1**	**89.6**	**1,324.2**	**-1,052.2**	**605.2**

EUR in millions	Share capital	Other restricted funds	Hedging reserve and other OCI items	Unrestricted equity funds	Retained earnings	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**

CONSOLIDATED CASH FLOW STATEMENT

EUR in millions	Q2 2025	Q2 2024	Q1-Q2 2025	Q1-Q2 2024	2024
Cash flow from operating activities					
Result before taxes	14.4	22.6	-49.5	-15.0	46.1
Depreciation and impairment	87.0	82.2	172.8	165.0	330.3
Financial income and expenses	4.7	20.0	15.3	40.3	68.1
Sales gains and losses on aircraft and other transactions	-1.3	-0.0	-6.0	-0.0	-12.0
Change in provisions	-12.4	2.6	-16.1	4.8	8.4
Employee benefits	2.5	3.4	4.9	6.2	49.3
Other adjustments	-0.1	-1.3	0.1	-1.7	-3.1
Non-cash transactions	-10.0	4.7	-11.0	9.4	54.7
Changes in trade and other receivables **	3.2	16.0	-7.7	-55.5	46.7
Changes in inventories	-0.3	-0.6	-1.3	-1.6	-2.8
Changes in trade and other payables	-22.0	48.8	186.1	202.3	119.8
Changes in working capital	-19.1	64.2	177.1	145.3	163.7
Financial expenses paid, net	-32.2	-20.6	-62.7	-32.9	-38.0
Income taxes paid	-0.0	-	-0.1	-0.1	-0.1
Net cash flow from operating activities	**43.7**	**173.1**	**235.8**	**312.0**	**612.7**
Cash flow from investing activities					
Investments in fleet ***	-68.6	-31.3	-118.2	-62.2	-222.8
Investments in other fixed assets	-3.6	-4.2	-6.2	-5.6	-10.8
Divestments of fleet, other fixed assets and shares	0.4	0.0	0.4	0.0	0.0
Lease and lease interest payments received	0.1	0.1	0.2	0.2	0.4
Change in other current financial assets (maturity over 3 months)	-27.7	-5.9	-32.8	0.6	4.1
Change in other non-current assets **	0.1	-0.3	0.2	-0.4	-57.3
Net cash flow from investing activities	**-99.2**	**-41.6**	**-156.5**	**-67.5**	**-286.4**
Cash flow from financing activities					
Proceeds from loans	-	495.7	-	495.7	495.7
Loan repayments	-50.4	-613.4	-106.6	-623.6	-705.6
Repayments of lease liabilities	-37.2	-42.9	-78.3	-84.8	-170.3
Share issue costs	-	-	-	-9.8	-9.8
Return of capital paid	-12.3	-	-12.3	-	-
Net cash flow from financing activities	**-99.9**	**-160.5**	**-197.2**	**-222.5**	**-390.0**
Change in cash flows	**-155.5**	**-29.0**	**-117.9**	**22.1**	**-63.7**
Liquid funds, at beginning	681.4	758.6	643.8	707.5	707.5
Change in cash flows	-155.5	-29.0	-117.9	22.1	-63.7
Liquid funds, at end *	**525.9**	**729.6**	**525.9**	**729.6**	**643.8**
*** Liquid funds**					
Other financial assets	592.7	795.8	592.7	795.8	664.9
Cash and cash equivalents	174.7	170.4	174.7	170.4	219.1
Cash funds	**767.4**	**966.3**	**767.4**	**966.3**	**884.0**
Other current financial assets (maturity over 3 months)	-241.5	-236.7	-241.5	-236.7	-240.2
Liquid funds	**525.9**	**729.6**	**525.9**	**729.6**	**643.8**

** 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.

Notes to the consolidated half-year financial report 1 Jan – 30 Jun 2025

1. BASIS OF PREPARATION

This consolidated half-year financial report has been prepared in accordance with the Interim Financial Reporting standard IAS 34 and its figures are unaudited. The consolidated half-year financial report has been authorised for publication on 15 July 2025.

2. ACCOUNTING PRINCIPLES

The accounting principles applied in the consolidated half-year financial report correspond to the principles disclosed in the Consolidated Financial Statements 2024. The figures presented in the half-year financial report 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 half-year financial report 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 half-year financial report, the management has also considered the impacts of climate related matters in the estimates used in this half-year financial report.

International conflicts and global political instability cause uncertainty in Finnair's operating environment. In particular, the risk levels related to tariffs between different countries and their direct and indirect impacts have increased. 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 2024 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 second quarter total revenue increased by 2.8% year-on-year, driven by growth in passenger and ancillary revenue.

Q2 2025, EUR in millions	Asia	North Atlantic	Europe	Middle East	Domestic	Un-allocated	Total	Share %
Passenger revenue	216.5	82.5	299.5	11.9	32.8	-16.5	**626.8**	79.6
Ancillary revenue	13.9	5.7	21.2	1.0	1.6	6.3	**49.6**	6.3
Cargo	33.9	9.0	7.0	0.0	0.1	1.2	**51.2**	6.5
Travel services	0.7	0.3	59.1	0.0	-	0.0	**60.1**	7.6
Total	**265.0**	**97.4**	**386.8**	**13.0**	**34.5**	**-9.0**	**787.7**	**100.0**
Share %	33.6	12.4	49.1	1.6	4.4	-1.1	100.0	-

Q2 2024, EUR in millions	Asia	North Atlantic	Europe	Middle East	Domestic	Un-allocated	Total	Share %
Passenger revenue	181.0	66.8	285.1	44.5	33.0	3.1	**613.5**	80.1
Ancillary revenue	8.0	3.2	16.5	0.2	1.1	15.5	**44.5**	5.8
Cargo	34.6	8.7	6.6	-0.0	0.1	1.4	**51.4**	6.7
Travel services	0.2	0.4	56.1	-	-0.0	0.1	**56.7**	7.4
Total	**223.8**	**79.1**	**364.3**	**44.7**	**34.3**	**20.0**	**766.1**	**100.0**
Share %	29.2	10.3	47.5	5.8	4.5	2.6	100.0	-

Q1-Q2 2025, EUR in millions	Asia	North Atlantic	Europe	Middle East	Domestic	Un-allocated	Total	Share %
Passenger revenue	412.8	132.0	515.7	44.0	88.6	-28.0	**1,165.2**	78.6
Ancillary revenue	24.3	8.1	35.0	2.1	4.5	20.3	**94.2**	6.4
Cargo	65.6	17.0	14.2	1.7	0.3	2.6	**101.3**	6.8
Travel services	20.0	0.6	98.4	2.2	-	-0.1	**121.2**	8.2
Total	**522.7**	**157.7**	**663.3**	**50.0**	**93.4**	**-5.2**	**1,481.9**	**100.0**
Share %	35.3	10.6	44.8	3.4	6.3	-0.4	100.0	-

Q1-Q2 2024, EUR in millions	Asia	North Atlantic	Europe	Middle East	Domestic	Un-allocated	Total	Share %
Passenger revenue	360.4	106.6	493.5	96.6	91.6	4.2	**1,152.9**	79.6
Ancillary revenue	17.9	5.3	28.0	0.9	3.7	26.2	**81.9**	5.7
Cargo	66.6	14.6	13.0	0.7	0.2	2.5	**97.6**	6.7
Travel services	19.8	0.8	92.5	2.0	-0.0	0.0	**115.2**	8.0
Total	**464.6**	**127.3**	**627.0**	**100.2**	**95.6**	**32.9**	**1,447.6**	**100.0**
Share %	32.1	8.8	43.3	6.9	6.6	2.3	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	-

Key figures quarterly, last 24 months	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
Revenue	**787.7**	**694.2**	**782.9**	**818.3**	**766.1**	**681.5**	**727.2**	**817.3**
Passenger revenue	626.8	538.4	610.9	655.3	613.5	539.3	573.1	673.1
Ancillary revenue	49.6	44.6	52.3	47.6	44.5	37.4	43.8	37.9
Cargo	51.2	50.1	55.3	52.5	51.4	46.3	50.5	40.8
Travel services	60.1	61.0	64.4	62.8	56.7	58.4	59.8	65.6
Comparable EBITDA	**97.3**	**23.0**	**131.3**	**153.3**	**125.8**	**70.5**	**106.9**	**177.7**
Comparable operating result	**10.3**	**-62.6**	**47.9**	**71.5**	**43.6**	**-11.6**	**22.5**	**94.3**
Operating result	**19.2**	**-53.4**	**12.1**	**76.7**	**42.5**	**-17.2**	**27.3**	**90.0**

5. OTHER OPERATING INCOME

EUR in millions	Q2 2025	Q2 2024	Change %	Q1-Q2 2025	Q1-Q2 2024	Change %	2024
Lease income	16.2	26.1	-37.8	40.0	53.8	-25.5	106.9
Sales gains on fixed assets	1.3	0.0	> 200	6.0	0.0	> 200	12.0
Other income	5.0	6.3	-21.1	11.0	11.2	-1.8	21.1
Total	**22.5**	**32.4**	**-30.5**	**57.0**	**64.9**	**-12.2**	**140.0**

Lease income decreased compared to the first half of 2024 as the wet lease out agreement with British Airways ended in March 2024 and fewer wet lease out flights were operated due to industrial action. Sales gains on fixed assets mainly consist of the purchase of three A321, which was previously leased by Finnair.

6. STAFF AND OTHER CREW RELATED COSTS

EUR in millions	Q2 2025	Q2 2024	Change %	Q1-Q2 2025	Q1-Q2 2024	Change %	2024
Wages and salaries	-92.4	-91.4	-1.0	-189.4	-183.2	-3.3	-366.8
Defined contribution schemes	-17.1	-16.7	-2.3	-36.5	-32.6	-11.9	-64.1
Defined benefit schemes	-2.8	-3.5	18.7	-5.6	-6.9	18.7	-49.3
Pension expenses total	-19.9	-20.2	1.3	-42.1	-39.5	-6.5	-113.4
Other social expenses	-3.5	-1.7	-103.1	-7.2	-3.4	-109.7	-9.1
Salaries, pension and social costs	**-115.8**	**-113.3**	**-2.2**	**-238.7**	**-226.2**	**-5.5**	**-489.3**
Operative staff related costs	-8.4	-7.3	-16.1	-17.1	-15.6	-10.1	-31.5
Leased and outsourced crew	-4.7	-6.8	31.2	-10.3	-14.8	30.2	-29.4
Other personnel related costs	-2.9	-2.7	-6.4	-5.7	-4.3	-33.7	-9.3
Total	**-131.8**	**-130.1**	**-1.3**	**-271.8**	**-260.8**	**-4.2**	**-559.5**

Staff and other crew related costs grew mainly due to increased flight resourcing related to industrial action. In addition, personnel in maintenance were strengthened.

7. DEPRECIATION AND IMPAIRMENT

EUR in millions	Q2 2025	Q2 2024	Change %	Q1-Q2 2025	Q1-Q2 2024	Change %	2024
Depreciation of owned fleet	-49.4	-40.7	-21.3	-96.5	-81.8	-18.0	-164.6
Depreciation of other fixed assets	-3.9	-4.1	2.8	-7.9	-7.9	0.4	-15.7
Depreciation of right-of-use fleet	-28.2	-32.0	12.1	-57.3	-64.0	10.5	-127.9
Depreciation of right-of-use other assets	-5.5	-5.4	-2.4	-10.9	-10.6	-3.0	-21.4
Depreciation	**-87.0**	**-82.2**	**-5.9**	**-172.6**	**-164.3**	**-5.1**	**-329.5**
Impairment	-	-	-	-0.2	-0.7	78.4	-0.7
Total	**-87.0**	**-82.2**	**-5.9**	**-172.8**	**-165.0**	**-4.7**	**-330.3**

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. Depreciation of owned fleet increased compared to comparable period due to acquisitions of three A321 aircraft and, correspondingly, depreciation of right-of-use fleet decreased.

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	Q2 2025 Reported	Q2 2025 Items affecting compa-rability	Q2 2025 Compa-rable	Q2 2024 Reported	Q2 2024 Items affecting compa-rability	Q2 2024 Compa-rable
Revenue	**787.7**	**-**	**787.7**	**766.1**	**-**	**766.1**
Other operating income	22.5	-1.3	21.2	32.4	-0.0	32.4
Operating expenses						
Staff and other crew related costs	-131.8	-	-131.8	-130.1	-0.2	-130.3
Fuel costs	-227.4	-0.1	-227.5	-225.0	0.2	-224.8
Capacity rents	-40.7	-	-40.7	-27.6	-	-27.6
Aircraft materials and overhaul	-55.5	-7.5	-63.0	-53.8	1.1	-52.6
Traffic charges	-81.7	-	-81.7	-68.5	-	-68.5
Sales, marketing and distribution costs	-31.8	-	-31.8	-31.4	-	-31.4
Passenger and handling services	-111.1	-	-111.1	-106.8	-	-106.8
Property, IT and other expenses	-24.0	-	-24.0	-30.6	-	-30.6
EBITDA	**-**	**-**	**97.3**	**-**	**-**	**125.8**
Depreciation and impairment	-87.0	-	-87.0	-82.2	-	-82.2
Operating result	**19.2**	**-8.9**	**10.3**	**42.5**	**1.1**	**43.6**

EUR in millions	Q1-Q2 2025 Reported	Q1-Q2 2025 Items affecting compa-rability	Q1-Q2 2025 Compa-rable	Q1-Q2 2024 Reported	Q1-Q2 2024 Items affecting compa-rability	Q1-Q2 2024 Compa-rable	2024 Reported	2024 Items affecting compa-rability	2024 Compa-rable
Revenue	**1,481.9**	**-**	**1,481.9**	**1,447.6**	**-**	**1,447.6**	**3,048.8**	**-**	**3,048.8**
Other operating income	57.0	-6.0	51.0	64.9	-0.0	64.9	140.0	-12.0	128.0
Operating expenses									
Staff and other crew related costs	-271.8	-	-271.8	-260.8	0.8	-260.0	-559.5	40.9	-518.6
Fuel costs	-441.1	0.1	-441.0	-436.5	1.6	-435.0	-894.4	1.5	-893.0
Capacity rents	-74.2	-	-74.2	-54.8	-	-54.8	-111.7	-	-111.7
Aircraft materials and overhaul	-110.7	-12.3	-123.0	-105.8	3.6	-102.2	-223.0	6.1	-216.9
Traffic charges	-156.7	-	-156.7	-130.8	-	-130.8	-270.6	-	-270.6
Sales, marketing and distribution costs	-66.6	-	-66.6	-63.8	-	-63.8	-123.0	-	-123.0
Passenger and handling services	-225.5	-	-225.5	-210.0	-	-210.0	-440.3	-	-440.3
Property, IT and other expenses	-53.8	0.0	-53.8	-59.6	0.0	-59.6	-121.7	0.0	-121.7
EBITDA	**-**	**-**	**120.3**	**-**	**-**	**196.3**	**-**	**-**	**480.9**
Depreciation and impairment	-172.8	0.2	-172.6	-165.0	0.7	-164.3	-330.3	0.7	-329.5
Operating result	**-34.2**	**-18.1**	**-52.3**	**25.3**	**6.7**	**32.0**	**114.2**	**37.2**	**151.4**

Items affecting comparability include gain of 12.3 million euros on the unrealised exchange rate difference of aircraft maintenance provisions and gain of 6.0 million euros on the purchase of three leased aircraft.

9. MANAGEMENT OF FINANCIAL RISKS

No significant changes have been made to the Group's risk management principles during the 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 Q2 2025 was approximately 200 million dollars.

On a year-on-year basis, the US dollar depreciated 5.0% against the euro and jet fuel price decreased 17.2%.

Derivatives, EUR in millions	30 Jun 2025		30 Jun 2024		31 Dec 2024	
	Nominal value	Fair net value	Nominal value	Fair net value	Nominal value	Fair net value
Currency derivatives						
Operational cash flow hedging (forward contracts)	437.9	-18.3	394.2	11.8	490.8	18.8
Operational cash flow hedging (options)						
Bought options	43.9	0.3	66.5	0.4	41.7	1.2
Sold options	41.8	-1.3	60.9	-0.3	37.8	-0.2
Fair value hedging of aircraft acquisitions	74.3	-5.4	150.6	4.2	75.4	1.8
Hedge accounting items total	598.0	-24.7	672.2	16.1	645.7	21.6
Balance sheet hedging (forward contracts)	144.0	0.2	226.4	-0.6	305.6	0.6
Items outside hedge accounting total	144.0	0.2	226.4	-0.6	305.6	0.6
Currency derivatives total	**742.1**	**-24.5**	**898.6**	**15.4**	**951.3**	**22.3**
Commodity derivatives						
Jet fuel forward contracts, tonnes	572,000	-15.6	586,000	11.2	598,000	-25.6
Options						
Bought options, jet fuel, tonnes	226,000	3.9	226,000	6.9	231,000	5.4
Sold options, jet fuel, tonnes	226,000	-11.2	226,000	-7.4	231,000	-14.9
Hedge accounting items total	1,024,000	-23.0	1,038,000	10.7	1,060,000	-35.2
Options						
Bought options, jet fuel, tonnes	-	-	57,000	0.0	-	-
Items outside hedge accounting total	-	-	57,000	0.0	-	-
Commodity derivatives total	**1,024,000**	**-23.0**	**1,095,000**	**10.7**	**1,060,000**	**-35.2**
Currency and interest rate swaps and options						
Interest rate swaps	250.0	6.3	250.0	-0.0	250.0	6.3
Hedge accounting items total	250.0	6.3	250.0	-0.0	250.0	6.3
Cross currency interest rate swaps	311.8	-20.9	331.6	1.0	342.0	10.5
Items outside hedge accounting total	311.8	-20.9	331.6	1.0	342.0	10.5
Interest rate derivatives total	**561.8**	**-14.6**	**581.6**	**1.0**	**592.0**	**16.8**
Derivatives total	**-**	**-62.1**	**-**	**27.1**	**-**	**3.9**

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	30 Jun 2025	Level 1	Level 2
Financial assets at fair value through profit and loss			
Securities held for trading			
Derivatives held for trading	592.7	485.2	107.5
Currency and interest rate swaps and options			
- of which in fair value hedge accounting	24.3	-	24.3
Currency derivatives	24.3	-	24.3
- of which in cash flow hedge accounting	5.0	-	5.0
Commodity derivatives	4.8	-	4.8
- of which in cash flow hedge accounting	7.2	-	7.2
Total	7.2	-	7.2
Financial liabilities recognised at fair value through profit and loss			
Derivatives held for trading			
Currency and interest rate swaps and options	38.9	-	38.9
- of which in fair value hedge accounting	18.0	-	18.0
Currency derivatives	29.6	-	29.6
- of which in fair value hedge accounting	5.4	-	5.4
- of which in cash flow hedge accounting	24.1	-	24.1
Commodity derivatives	30.2	-	30.2
- of which in cash flow hedge accounting	30.2	-	30.2
Total	**98.6**	**-**	**98.6**

During the 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 -22.4% (31 Dec 2024: 19.8). During the first half of the financial year, deferred tax asset of 33.4 million euros for the taxable result of the period, -22.3 million euros for the other temporary differences and 3.7 million euros for the other comprehensive income items were recognised. Deferred tax asset at the end of reporting period was 236.5 million euros (31 Dec 2024: 221.7).

Unrecognised deferred tax assets have not changed during the reporting period. These are presented in the note 5.1 Income taxes in the financial statements of 2024.

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 half-year financial report. 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	30 Jun 2025	30 Jun 2024	31 Dec 2024
Carrying amount at the beginning of period	1,362.0	1,194.8	1,194.8
Additions	109.5	67.0	419.7
Change in advances	15.3	1.3	-54.3
Currency hedging of aircraft acquisitions	7.3	-5.6	-3.2
Disposals and reclassifications	-26.2	-0.0	-14.7
Depreciation	-104.4	-89.7	-180.3
Carrying amount at the end of period	**1,363.5**	**1,167.9**	**1,362.0**

Additions to fixed assets are mainly related to the purchases of three A321 aircraft which were previously leased by Finnair and investments in aircraft maintenance. Disposals and reclassifications are related to maintenance provisions reclassified against the acquisition cost of the purchased, previously leased aircraft.

13. CHANGE IN RIGHT-OF-USE ASSETS

EUR in millions	30 Jun 2025	30 Jun 2024	31 Dec 2024
Carrying amount at the beginning of period	780.0	915.3	915.3
New contracts	2.1	12.2	13.9
Reassessments and modifications	12.8	13.9	30.2
Disposals	-11.4	-	-29.4
Depreciation	-68.2	-74.6	-149.3
Impairment	-0.2	-0.7	-0.7
Carrying amount at the end of period	**715.2**	**866.1**	**780.0**

Reassessments and modifications are primarily related to index changes. Disposals are related to the purchases of three leased A321 aircraft, for which the leasing contracts were terminated in connection with the acquisitions.

14. INTEREST-BEARING LIABILITIES

During the second quarter of 2025 Finnair amortised its loans according to the loan instalment programmes.

Interest-bearing liabilities	Fair value			Book value		
EUR in millions	30 Jun 2025	30 Jun 2024	31 Dec 2024	30 Jun 2025	30 Jun 2024	31 Dec 2024
Lease liabilities	840.1	1,087.2	1,004.4	840.1	1,087.2	1,004.4
Bonds	513.9	554.1	511.0	502.9	556.9	502.5
JOLCO loans* and other	224.0	251.5	353.4	238.5	232.6	358.3
Total	**1,577.9**	**1,892.8**	**1,868.8**	**1,581.5**	**1,876.7**	**1,865.2**

* JOLCO loans and other include the JOLCO loan (Japanese Operating Lease with Call Option) for one 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 (102.8).

Maturity dates of financial liabilities as at 30 Jun 2025 EUR in millions	1-12 months	13-24 months	25-36 months	37-48 months	49-60 months	Later	Total
Lease liabilities, fixed interest	100.9	92.4	78.0	61.7	64.8	212.0	**609.8**
Lease liabilities, variable interest	37.5	38.7	40.6	29.1	18.0	66.4	**230.3**
Bonds, fixed interest	-	-	-	500.0	-	-	**500.0**
JOLCO loans and other, fixed interest	10.8	-	-	-	-	-	**10.8**
JOLCO loans and other, variable interest	46.1	21.0	21.1	21.2	21.4	98.0	**228.7**
Interest-bearing financial liabilities total*	**195.3**	**152.1**	**139.8**	**612.0**	**104.2**	**376.4**	**1,579.6**
Payments from interest rate and currency derivatives	608.4	53.3	5.3	20.2	4.8	-	**691.9**
Income from interest rate and currency derivatives	-580.9	-47.6	-	-24.3	-	-	**-652.8**
Commodity derivatives	21.2	1.7	-	-	-	-	**23.0**
Trade payables and other liabilities	257.4	-	-	-	-	-	**257.4**
Interest payments	74.5	63.3	55.6	49.1	20.1	59.8	**322.4**
Total	**575.8**	**222.8**	**200.6**	**657.0**	**129.1**	**436.2**	**2,221.5**

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**

* The bonds maturing do not include the amortised cost of 3.4 million euros paid in 2024 and due in 2029. Respectively, JOLCO loans do not include the amortised cost of 1.1 million euros paid in 2016 and due in 2026. 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	30 Jun 2025	30 Jun 2024	31 Dec 2024
Aircraft maintenance provision			
Provision at the beginning of period	143.5	144.2	144.2
Provision for the period	29.6	17.7	49.4
Provision used	-31.5	-15.0	-42.6
Provision reversed	-1.5	-1.4	-3.8
Provision for right-of-use assets redelivery	-0.6	0.2	-0.7
Reclassifications	-25.8	-	-14.7
Unwinding of discount	2.2	2.9	5.7
Exchange rate differences	-12.3	3.6	6.1
Aircraft maintenance provision total	**103.8**	**152.1**	**143.5**
Of which non-current	88.5	122.6	113.7
Of which current	15.3	29.5	29.8
Other provisions			
Provision at the beginning of period	2.2	2.9	2.9
Provision for the period	0.1	1.3	1.8
Provision used	-0.4	-1.0	-2.1
Provision reversed	-0.2	-0.4	-0.4
Other provisions total	**1.7**	**2.8**	**2.2**
Of which non-current	0.7	0.8	0.7
Of which current	1.0	2.0	1.5
Total	**105.5**	**154.9**	**145.8**
Of which non-current	89.2	123.5	114.5
Of which current	16.3	31.5	31.3

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 94.2 million euros (31 Dec 2024: 122.0) include, in addition to provisions, other non-current liabilities totalling to 4.9 million euros (31 Dec 2024: 7.5) which mainly consist of received lease deposits.

16. DEFERRED INCOME AND ADVANCES RECEIVED

EUR in millions	30 Jun 2025	30 Jun 2024	31 Dec 2024
Deferred revenue on ticket sales	668.1	591.8	525.4
Loyalty program Finnair Plus	73.6	68.5	73.3
Advances received for tour operations	43.1	40.5	35.0
Other items	41.8	16.1	25.2
Total	**826.6**	**716.8**	**658.9**

17. CONTINGENT LIABILITIES

EUR in millions	30 Jun 2025	30 Jun 2024	31 Dec 2024
Guarantees on behalf of group undertakings	57.8	66.3	58.2
Total	**57.8**	**66.3**	**58.2**

Investment commitments for property, plant and equipment as of 30 June 2025 totalled 151.2 million euros (31 Dec 2024: 162.6) and they relate mainly to firm aircraft orders and other aircraft related investments. Out of the total investment commitments 23.8 million euros takes place within the next 12 months and 127.4 million euros during the following 1–5 years.

Off-balance sheet lease commitments as of 30 June 2025 totalled 15.5 million euros (31 Dec 2024: 16.0). 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. Related party transactions are described more detailed in the note 4.5 Related party transactions in the financial statements of 2024.

19. EVENTS AFTER THE PERIOD

On 13 July 2025, Finnair announced that the Service Sector Employers Palta and the Finnish Aviation Union (IAU) approved the settlement proposal presented by the National Conciliator. The proposal forms the basis for a new collective agreement for aviation services. The new agreement will be in effect for approximately 1.5 years, ending on 15 January 2027. The proposed wage solution aligns with the general labour market framework.