FINNAIR GROUP FINANCIAL STATEMENT JANUARY 1 - MARCH 31, 2006

First Quarter Weak, As Expected

Summary of first quarter key figures

- Turnover rose 8.3% to 480.3 million euros
- Traffic grew 4.2% on the previous year, passenger load factor rose 1.3 percentage points to 74.6%
- Unit revenues from flight operations grew by 4.2%, unit costs by 10.2%
- Operating profit excluding depreciation and aircraft leasing payments (EBITDAR) was 40.9 million euros (59.7 million)
- Operating loss was -5.2 million euros (18.7 million profit)
- Operating loss excluding capital gains and changes in the fair value of derivatives, i.e. operating loss on operations, fell to –5.1 million euros (14.0 million profit)
- The result after financial items was a loss of -5.2 million euros (17.4 million profit)
- At the end of March, Finnair was debt-free and liquid assets totalled 306.7 million euros
- Equity ratio 40.7% (39.1%)
- Equity per share 7.39 euros (7.13)
- Earnings per share (undiluted) –0.05 euros (0.14) and earnings per share (with dilution) –0.05 euros (0.13)
- Return on capital employed 8.3% (7.0%)

General Review

Air transport at the beginning of the year was marked by a growing demand for flight travel but also by higher fuel prices.

The strong rise in fuel prices that began early in 2005 halted the decline in average flight and cargo prices of recent years. The average price of Finnair tickets rose last year by 3.6 per cent. Tighter competition dampened the rise in the average price from the end of the year, and in the first quarter it was not possible to pass on the rise in fuel prices completely into ticket prices.

Finnair's unit revenues have declined by a third in five years. At the same time the fuel price has tripled, as a result of which Finnair has improved the efficiency of its operations in several ways in recent years.

To safeguard profitable business operations, the Finnair Group will begin a structural reform process. Due to increases in Asian traffic, additional resources and personnel will be channelled in the coming years into flight operations, for example. Correspondingly, support functions which are no longer commercially viable because of technical advances will be cut. A further aim of the structural change is to increase transparency and to ensure the competitiveness of all of Finnair's operations.

The transition from Boeing MD-80 aircraft to new Embraer aircraft will cause a temporary drop in productivity and lower the load factors owing to retraining of staff. The long-term savings generated by the new type of aircraft will be based on more efficient capacity utilisation and lower operating costs. Embraer's modern technology will also reduce maintenance costs. The Boeing MD-80 aircraft will be decommissioned from the parent company's fleet in July 2006.

European airlines' traffic between Europe and Asia grew by more than ten per cent. Finnair's Asian traffic grew in January-March by more than 24 per cent, increasing Finnair's market share in traffic between Europe and Asia. Capacity increases in traffic between Europe and Asia will continue. In December 2005, Finnair announced that it would acquire 12 new long-haul aircraft by 2014.

Passenger numbers carried by the Finnair-owned budget airline FlyNordic grew at the beginning of the year by a third compared to the previous year. Price development in the Swedish market, however, has been weaker than expected and the price of fuel has risen sharply, which means that FlyNordic is still operating at a loss.

Financial Result, 1 January – 31 March 2006

Turnover rose 8.3 per cent and was 480.3 million euros. The Group's operating loss excluding capital gains and changes in the fair value of derivatives fell to –5.1 million euros (14.0 million profit). Adjusted operating profit margin was –1.1 per cent (3.2%). The result after financial items was –5.2 million euros (17.4 million).

Passenger traffic capacity grew in January-March by 2.3 per cent and demand by 4.2 per cent. Load factor rose from the previous year by 1.3 percentage points to 74.6 per cent. The quantity of cargo carried grew by 3.6 per cent.

In scheduled passenger and leisure traffic, total unit revenues per passenger kilometre rose by 4.7 per cent. Unit revenues for cargo traffic rose by 6.3 per cent. Weighted unit revenues for passenger and cargo traffic rose by 4.2 per cent.

Euro-denominated operating costs rose during the period by 13.2 per cent. Unit costs of flight operations rose by 10.2 per cent. With fuel costs eliminated, unit costs rose by 3.0 per cent.

Fuel costs increased in the first quarter by around 30 million euros compared to the previous year, i.e. by 49.6 per cent. Relative to flight performance (euros per available tonne kilometre) the increase was 46.4 per cent. A 16.7 per cent rise in fleet material purchase and maintenance costs resulted primarily from the start-up costs of the seventh MD-11 as well as refurbishment costs of long-haul fleet cabins.

Capital gains on asset sales totalled 0.0 million euros (0.0 million).

Earnings per share for the financial period were –0.05 euros (0.14). At the end of March, equity per share was 7.39 euros (7.13).

Investment, financing and risk management

First-quarter investments totalled 48.7 million euros (10.3 million). The cash-flow impact of investments in the first quarter, including advance payments, was 69.5 million euros.

The Group's liquid assets have declined in the early part of the year by around one hundred million euros, mainly due to fleet modernisation investments and advance payments on future investments as well as pension contributions. Pension contributions paid in the first quarter, around 26 million euros, cover payments due for the entire first half of the year. At the end of March, the Group had liquid cash reserves of 306.7 million euros, in addition to which there was a total of 200 million euros in unused committed loan facilities.

Operational net cash flow was –32.9 million euros, compared with 24.4 million euros a year earlier. At the end of March the Group's financial assets exceeded its interest-bearing debt by 50.3 million euros. Gearing has declined from –5.5 per cent at the end of March 2005 to –10.6 per cent at the same date this year. Gearing adjusted for leasing liabilities was 85.0 per cent (98.5%). The equity ratio rose from the previous year by 1.6 percentage points to stand at 40.7 per cent. The key figures are better than the targets set by the Board of Directors.

According to the financial risk management policy approved by Finnair's Board of Directors, the company has hedged 55 per cent of scheduled traffic's aviation fuel purchases during the next six months and thereafter for the following 18 months with a decreasing level of hedging.

A weakening of the US dollar against the euro has a positive impact on Finnair's operational result and strengthening has a negative impact, because the company has more dollar-linked costs than revenues.

Shares and Share Capital

In January-March 2006 the highest rate for the Finnair Plc share on the Helsinki Exchanges was 15.00 euros, while the lowest rate was 11.50 euros and the average rate 13.22 euros. The market value of the company's shares was 1,131.9 million euros on 31 March 2006. At the beginning of the financial year the market value was 1,039.9 million euros. During the first quarter, some 15.3 million of the company's shares were traded on the Helsinki Exchanges. On 31 March 2006 the Finnish Government owned 56.56 per cent of the company's shares, while 34.3 per cent were held by foreign investors or in the name of a nominee.

At the beginning of the financial period the company held 535,000 of its own shares. On 23 March 2006 the Annual General Meeting authorised the Board of Directors for a period of one year to purchase the company's own shares up to a maximum of 3,500,000 shares and dispose of the company's own shares up to a maximum of 3,650,000 shares. The authorisation applies to shares amounting to less than five per cent of the company's share capital. During the first quarter, the company has not exercised its authorisation to acquire or dispose of its own shares. On 31 March 2006 the company held a total of 535,000 own shares, i.e. 0.6 per cent of all shares.

Two series of Finnair Plc option rights are traded on the Main List of the Helsinki Stock Exchange. At the beginning of the financial period 396,394 Series A options and 816,150 Series B options were in circulation. In December 2005, option rights were exercised to make share subscriptions, as a consequence of which the share capital increased by 629,047.60 euros, which was entered in the Trade Register on 19 January 2006. In the first quarter, no share subscriptions were made with options. Finnair Plc's registered share capital on 31 March 2006 was 74,412,543.65 euros and the total number of shares was 87,544,169.

If all the share options in circulation on 31 March 2006 were exchanged for Finnair Plc shares, the Finnish Government's holding would be 55.8 per cent. On the basis of share options that remain unexercised, the company's share capital can rise by a maximum of 1,030,662.40 euros, corresponding to 1,212,544 shares, which is 1.4 per cent of the company's shares.

Personnel

In the period January-March, the average number of staff employed by the Finnair Group amounted to 9,493 people, which was 1.1 per cent more than a year before. The increase centred on Flight Operations, where the number of employees grew in the early part of the year by 140, increasing personnel in Scheduled Passenger Traffic by 3.6 per cent.

Scheduled Passenger Traffic had an average of 4,017 employees and Leisure Traffic 351 employees in the first quarter. The total number of personnel in technical, catering and ground handling services was 3,734 and in travel services 1,162. A total of 229 people were employed in other operations. Around 400 staff are employed in foreign units, where they are engaged mainly in commercial duties.

The company has collective employment agreements valid at least until 30 September 2007 with six labour unions and with pilots until May 2008.

Finnair has announced on 5 May 2006 the call to statutory employer-employee negotiations aiming to reduce around 670 employees by the end of 2007.

Management

At the Annual General Meeting held on 23 March 2006, the following former members were elected as Members of the Board of Directors until the end of the next Annual General Meeting: Christoffer Taxell (Chairman), Markku Hyvärinen, Kari Jordan, Veli Sundbäck and Helena Terho. In addition, Kalevi Alestalo, Satu Huber and Ursula Ranin were elected as new members.

The Annual General Meeting elected PricewaterhouseCoopers Oy, Authorised Public Accountants, and Jyri Heikkinen, Authorised Public Accountant, as the company's auditors and Matti Nykänen APA and Tuomas Honkamäki APA as deputy auditors.

Jukka Hienonen, appointed to succeed President and CEO Keijo Suila, who retired on 31 December 2005, began as President and CEO of Finnair Plc on 1 January 2006. Before joining Finnair, Hienonen was Executive Vice President of Stockmann Oyj Abp with responsibility for the department stores group.

EVP Scheduled Passenger Traffic Henrik Arle was appointed Deputy CEO of Finnair Plc as of 1 January 2006. In Finnair, new arrangements have also been agreed in respect of the company's Accountable Manager. The Accountable Manager is responsible for the airline's Airline Operator's Certificate and other operating licences granted by the authorities. Finnair Plc's Accountable Manager as of 1 January 2006 is Deputy CEO Arle.

Changes took place in the Management Group following the retirement of Eero Ahola, SVP Corporate Strategy and Business Development, on 31 December 2005. SVP Technical Services Jarmo Vilenius moved to become Managing Director of Finnair Facilities Management as of 15 January 2006. The new SVP Technical Services is Kimmo Soini, who transferred to the post from his role as Scheduled Passenger Traffic's VP Technical Operations.

SVP Leisure and Travel Services Mauri Annala retired on 1 March 2006. Kaisa Vikkula Doc(Econ) has been appointed to replace him. She has been a Member of Finnair's Board of Directors since 2003. Vikkula left her Board position on 16 February 2006.

Finnair SVP, Administration and Human Resources Tero Palatsi resigned from Finnair on 15 February 2006. Palatsi's duties will be handled until further notice by VP Human Resources Ari Kuutschin.

Performance of the Divisions

The primary segment reporting of the Finnair Group's financial statements is based on business areas. The reporting business areas are Scheduled Passenger Traffic, Leisure Traffic, Aviation Services and Travel Services.

Scheduled Passenger Traffic

This business area is responsible for sales of scheduled passenger traffic and cargo, service concepts, flight operations and activity connected with the procurement and financing of aircraft. Scheduled Passenger Traffic leases to Leisure Traffic the crews and aircraft it requires. The business area consists of the following units and companies: Finnair Scheduled Passenger Traffic, Aero Airlines, FlyNordic, Finnair Cargo Oy and Finnair Aircraft Finance Oy.

In January-March the business area's turnover grew 8.7 per cent to 352.8 million euros. The operating result was a loss of -4.5 million euros (9.7 million profit).

Demand for Finnair's Scheduled Passenger Traffic grew by 7.8 per cent in the first quarter, while capacity grew by 4.3 per cent, leading to an improvement in passenger load factor by 2.2 percentage points to 68.1 per cent.

Unit revenues for scheduled traffic improved 0.6 per cent in January-March. Average prices clearly increased in long-haul traffic. The price level of European and domestic traffic fell slightly from the previous year's level.

The decline in unit revenues of cargo traffic has halted. In January-March, cargo unit revenues rose by 1.0 per cent. The total quantity of cargo carried in scheduled traffic grew by 7.0 per cent. The quantity of cargo carried in Asian traffic grew by 20.4 per cent from the previous year.

Finnair's market share in traffic between Asia and Europe has grown further through additional flights and new destinations. In international traffic, Finnair has maintained its market share relative to its main competitors.

In January-March, the arrival punctuality of Scheduled Passenger Traffic's flights was 82.6 per cent (83.9%).

Leisure Traffic

This business area consists of Finnair Leisure Flights as well as the Aurinkomatkat-Suntours package tour company, which is the biggest in its field in Finland, with a market share of more than 35 per cent. Finnair Leisure Flights also enjoys a strong market leadership in leisure travel flights, even though more competition has entered the market.

In January-March, Leisure Traffic demand fell by 2.2 per cent as a consequence of avian flu as well as overcapacity in the industry. Capacity was reduced by 2.5 per cent. The passenger load factor was 91.9 per cent.

In the first quarter, the turnover of the business area grew by 7.5 per cent to 109.4 million due to aviation fuel fare surcharges. The operating profit was 5.9 million euros (4.9 million).

In spring 2006 three lease agreements of Leisure Flights' seven Boeing 757 aircraft were renewed on clearly more favourable terms. The agreements of the other four aircraft had already been renewed.

Aviation Services

This business area comprises aircraft maintenance services, ground handling and the Group's catering operations. In addition, the Group's property holdings, office services and the management and maintenance of properties related to the Group's operational activities are also functions of the Aviation Services business area.

Aviation Services' turnover rose by 1.6 per cent to 102.2 million euros. The operating result declined, however, to a loss of -3.5 million euros (5.2 million profit).

The turn of the operating result to a loss in the business area was due to lower prices levels for services. The operations of Aviation Services are being improved through principles based on the LEAN process concept.

At the beginning of 2006, Finnair Technical Services initiated a competitiveness project which will review the entire organisation and attempt to make operations more profitable by improving processes and operating models. At the same time, operations for which there is no commercial justification will be disposed of.

The technical development of the fleet has, among other things, lengthened several maintenance intervals and thus will reduce the amount of labour committed to maintenance activities. Finnair will cut back the maintenance preparedness of types of aircraft that have been removed from its fleet and will focus on acquiring deeper expertise of fewer types of aircraft.

Travel Services

This business area consists of the Group's domestic and foreign travel agency operations - including Finland Travel Bureau, Estravel and Area – as well as the operations of the reservations systems supplier Amadeus Finland Oy.

The business area's turnover was 22.6 million euros (21.9 million) and operating profit was 0.3 million euros (1.3 million).

During the last three years, the Finnair Group's travel agencies have successfully adopted a new earnings logic as airlines have abandoned the payment of sales commissions. The process of adaptation and productivity improvement is continuing, however. In January 2006, Finland Travel Bureau began statutory employer-employee negotiations on the reduction of more than 40 jobs.

Services and Products

The Finnair route network consists of a comprehensive domestic network as well as an international network of nearly 50 destinations, of which ten are on long-haul routes. Finnair's success in European scheduled passenger traffic is based on the morning-evening concept favoured by business passengers.

The long-haul strategy exploits Helsinki's ideal position on flight routes between Asia and Europe. Finnair has purposefully increased the number of its Asian flights since 1999 and now has 40 flight connections a week to Asian destinations. Finnair already flies more than twice a day to China and daily to Thailand and Japan.

Growth in Asian traffic will continue strongly also in the future. This year new destinations will open: to Nagoya, Japan in June and to New Delhi, India in November. Of next year's new destinations, it has been announced that Kuala Lumpur in Malaysia will open in summer 2007.

The type of aircraft used by Finnair in long-haul traffic is the wide-bodied Boeing MD-11. The cabins of the wide-bodied fleet have been refurbished and last winter new lie-flat bed seats were fitted in business class.

In summer of the current year, the transition to the A340 Airbus wide-bodied aircraft will begin. The wide-bodied fleet is being expanded in the next few years to satisfy growing demand in Asian traffic.

The first six of ten Embraer 170 aircraft to be delivered to Finnair have already joined the fleet. The new Embraers have 76 seats and conform in terms of travel comfort to the standard of large passenger jet aircraft.

In Europe, five new destinations, which will serve local demand as well as the needs of Asian traffic, will be opened by this summer. The new destinations are Edinburgh, Geneva, Kiev, Krakow and Florence. Flight frequencies on the St. Petersburg and Warsaw routes will be increased.

The electronic ticket, or e-ticket, is already in use on all of Finnair's domestic routes, on several European routes and on long-haul flights. Over 60 per cent of all flight tickets are now sold as e-tickets.

Future prospects

At the current price level of jet fuel, fuel costs are expected to be more than 20 per cent of turnover in the current year. In 2005 fuel costs were equivalent to 15.6 per cent of turnover. The additional cost of this year's fuel is expected to be more than 120 million euros compared to the previous year.

The company has hedged 55 per cent of scheduled traffic's jet fuel purchases in the next six-month period and thereafter for the following 18 months with a decreasing level of hedging. In leisure traffic, fuel surcharges will continue to be applied in the coming summer season according to an agreement between tour operators and Finnair.

This year in European traffic, competition for market share will continue to be tight. The record high price of fuel will impose strong pressure on the price levels of passenger and cargo traffic. The price of fuel is expected to remain at a high level also in the future. Unit costs will be reduced in other areas. In addition, productivity improvements will be pursued through operational rationalisation and structural changes.

Growth in demand and the improvement in load factors are expected to continue during the year. Capacity increases will be centred on Asian traffic. The arrival of the Embraer 170 aircraft to Finnair's fleet, which began last autumn, will bring flexibility to capacity management and will replace the Boeing MD-80 aircraft in the parent company's services by the coming summer. The introduction of the Embraer aircraft, which have fewer than 100 seats, means that seat capacity in Europe and Finland may fall slightly, thus improving the load factor in this traffic segment. The new technology will also improve fuel- and eco-efficiency.

A seventh long-haul traffic Boeing MD-11 aircraft began operating in January 2006, but due to maintenance withdrawals related to the refurbishment of the wide-bodied fleet's cabins, the additional capacity will come into operational use in late spring 2006. The long-haul fleet will be expanded further with the introduction this coming July of a purchased Airbus A340 wide-bodied aircraft.

In December 2005 Finnair decided to commit to growth in Asian traffic by acquiring 12 new Airbus A340/A350 wide-bodied aircraft by 2014. One or two new destinations will be opened in Finnair's Asia network each year and flight frequencies to current destinations will be increased. Asian traffic demand is expected to grow by more than ten per cent and the level of average prices is expected to remain good.

Work to improve productivity will continue in all business areas. Finnair will implement an operational efficiency programme in which those functions absolutely necessary for business will be assessed and processes developed to enhance competitiveness and improve productivity. Measures will be taken particularly to improve the competitiveness of units that provide support services to flight operations.

Guidance for the full year result remains unchanged.

FINNAIR PLC
Board of Directors

President and CEO Jukka Hienonen on the result for the financial year:

Air transport is a growth sector, but operating conditions are increasingly difficult. In addition to new companies operating on a lighter cost structure, the traditional network airlines, too, have initiated forceful measures to improve their competitiveness. This is also apparent in Finnair's operating environment as increased competition in the form of new routes and more aggressive pricing.

The increasing cost of fuel is a burden on all companies. Finnair's jet fuel bill rose last year by 100 million euros and this year we will pay 120 million euros more. Increasing the price of tickets is barely an option in the current market climate in Europe. Time will tell whose nerve holds out longest. Meanwhile, we must find efficiencies in other areas of our operations and turn our attention to directions where growth potential is greatest.

Finnair's strength is in its Asia-Europe traffic growth strategy, which affects our entire business model. We are developing our operations to support our long-term competitiveness as one of the most important players in air traffic between Asia and Europe.

Finnair's growth in Asian traffic has been in a class of its own for many years now. In the early part of this year we grew by 25 per cent. Asian traffic has already safeguarded 3,000 jobs and will create an estimated one thousand more in our own flight operations alone – indirectly even more.

Finnair's passenger numbers are growing strongly and load factors are at a record high. Despite price competition, we intend to hold on to our customers in future and focus on cleaning out our own cost structure.

Healthy growth requires that the company's structures are in good shape. That's why we are reorganising our operations and personnel resources. We will ensure that all parts of our Group are competitive on a long-term basis, so that we can invest in profitable growth regardless of the challenges that face us.

Finnair is undergoing a transition to a new, more efficient fleet, which will burden our finances in the short term. We are on a sustainable path in our development, however, because our Asian traffic has a permanent competitive advantage, which we will continue to exploit far into the future.

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FINNAIR GROUP INTERIM REPORT FOR JANUARY 1 - MARCH 31. 2006

This interim report has been prepared in accordance with IAS 34. Interim Financial Reporting. and applies the accounting principles used in the annual financial statements for the financial period 2005. The interim report includes the condensed financial statements from the reported period. The income taxes are entered in accordance with the estimated average tax rate for the whole financial year.

KEY FIGURES EUR mill.

	2006	2005	Change	2005
	1 Jan–31 Mar	1 Jan – 31 Mar	%	1 Jan–31 Dec
Turnover	480.3	443.4	8.3	1 871.1
Profit before depreciation and lease payments, EBITDAR *	40.9	59.7	-31.5	249.3
Lease payments for aircraft	22.6	23.2	-2.6	88.5
Operating profit, EBIT*	-5.1	14.0	-	70.1
Fair value changes of derivatives	-0.1	4.7	-	4.5
Profit from disposal of capital assets	0.0	0.0	-	7.3
Operating profit, EBIT	-5.2	18.7	-	81.9
Profit for the financial year	-4.0	11.5	-	61.4
Operating profit, EBIT, % of turnover *	-1.1	3.2		3.7
EBITDAR, % of turnover *	8.5	13.5		13.3
Unit revenues of flight operations c/RTK	71.3	68.4	4.2	72.2
Unit costs of flight operations. c/ATK	46.0	41.7	10.2	45.3
Earnings per share EUR (basic)	-0.05	0.14		0.73
Earnings per share EUR (diluted)	-0.05	0.13		0.71
Equity per share EUR	7.39	7.13		7.73
Gross investment EUR mill.	48.7	10.3		57.5
Gross investment. % of turnover	10.1	2.3		3.1
Equity ratio %	40.7	39.1		42.2
Gearing %	-10.6	-5.5		-25.1
Adjusted gearing %	85.0	98.5		66.8
Rolling 12-month ROCE %	8.3	7.0		11.1
Rolling 12-month ROE %	7.4	6.1		9.8

* Excluding capital gains and fair value changes of derivatives

Unit costs of flight operations c / ATK = Operating expenses (excluding fair value changes of derivatives) of Scheduled Traffic business area and Leisure Flights business unit / ATK of Group

CALCULATION OF KEY RATIOS

Earnings / share:

Profit for the financial year

Average number of shares at the end of the financial year. adjusted for share issues

Equity / share:

Shareholders' equity

Number of shares at the end of the financial year. adjusted for share issues

Gearing. %:

Net interest-bearing liabilities *100

Shareholders' equity + minority interest

Operating profit. EBIT =

Operating profit excluding the disposal of the capital assets and fair value changes of derivatives

Shareholders equity = To equity holders of the parent

The figures in this review have not been audited.

Return on capital employed. %: (ROCE)

Profit before taxes + interest and other financial expenses *100

Balance sheet total - non-interest-bearing liabilities (average)

Net interest bearing liabilities

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

Equity ratio. %:

Shareholders' equity + minority interest *100

Balance sheet total - advances received

Return on equity %: (ROE)

Result before extraordinary items – taxes *100

Equity + minority interests (average)

INCOME STATEMENT EUR mill.

	2006	2005	Change	2005
	1 Jan– 31 Mar	1 Jan– 31 Mar	%	1 Jan – 31 Dec
Turnover	**480.3**	**443.4**	**8.3**	**1 871.1**
Work used for own purposes and capitalized	0.1	3.5	-97.1	11.3
Other operating income	5.7	5.8	-1.7	31.8
Operating income	**486.1**	**452.7**	**7.4**	**1 914.2**
Operating expenses				
Staff costs	123.6	118.2	4.6	495.8
Fuel	89.3	59.7	49.6	292.7
Lease payment for aircraft	22.6	23.2	-2.6	88.5
Other rental payments	20.8	16.7	24.6	69.2
Fleet materials and overhauls	25.8	22.1	16.7	82.6
Traffic charges	38.7	35.9	7.8	159.1
Ground handling and catering expenses	33.2	32.3	2.8	134.0
Expenses for tour operations	34.2	30.4	12.5	102.0
Sales and marketing expenses	16.9	17.3	-2.3	95.5
Depreciation	23.4	22.5	4.0	90.7
Other expenses	62.8	55.7	12.7	222.2
Total	**491.3**	**434.0**	**13.2**	**1 832.3**
Operating profit EBIT	**-5.2**	**18.7**	**-127.8**	**81.9**
Financial income	2.7	3.8	-28.9	20.1
Financial expenses	-2.7	-5.1	-47.1	-14.6
Share of result in associates	0.0	0.0	-	0.1
Profit before taxes	**-5.2**	**17.4**	**-**	**87.5**
Direct taxes	1.4	-5.2	-	-25.5
Profit for financial year	**-3.8**	**12.2**	**-**	**62.0**

Earnings per share to shareholders of the parent company	-4.0	11.5		61.4
Minority interest	0.2	0.7		0.6
Earnings per share calculated from profit attributable to shareholders of the parent company				
Earnings per share EUR	-0.05	0.14		0.73
Earnings per share EUR (diluted)	-0.05	0.13		0.71

BALANCE SHEET EUR mill.

	31 Mar 2006	31 Mar 2005	31 Dec 2005
ASSETS			
Non-current assets			
Intangible assets	47.6	38.3	44.6
Tangible assets	887.2	865.8	844.4
Investments in associates	3.2	3.2	3.1
Financial assets	17.1	15.8	17.7
Deferred tax receivables	22.5	27.2	17.5
Total	977.6	950.3	927.3
Short-term receivables			
Inventories	47.0	47.6	45.1
Trade receivables and other receivables	286.9	246.8	247.6
Investments	278.8	280.9	391.7
Cash and bank equivalents	27.9	46.5	26.7
Total	640.6	621.8	711.1
Assets total	**1 618.2**	**1 572.1**	**1 638.4**
SHAREHOLDERS´ EQUITY AND LIABILITIES			
Capital and reserves attributable to equity holders of the parent company			
Shareholders´equity	74.4	72.1	73.8
Other equity	568.9	528.4	598.6
Total	643.3	600.5	672.4
Minority interest	1.5	1.7	1.6
Equity, total	644.8	602.2	674.0
Long-term liabilities			
Deferred tax liability	123.6	132.4	125.8
Financial liabilities	207.6	227.5	214.9
Pension obligations	9.8	7.0	12.7
Total	341.0	366.9	353.4
Short-term liabilities			
Current income tax liabilities	0.0	5.1	20.1
Financial liabilities	53.3	73.2	52.7
Trade payables and other liabilities	579.1	524.7	538.2
Total	632.4	603.0	611.0
Liabilities total	973.4	969.9	964.4
Shareholders' equity and liabilities. total	**1 618.2**	**1 572.1**	**1 638.4**

CASH FLOW STATEMENT

EUR mill.	1 Jan - 31 Mar 2006	1 Jan - 31 Mar 2005	1 Jan -31 Dec 2005
Cash flow from operating activities			
Profit for the financial year	-3.8	12.2	62.0
Operations for which a payment is not included **1)**	18.9	18.7	91.7
Interest and other financial expenses	2.7	5.1	14.6
Interest income	-2.4	-1.8	0.0
Other financial income	-0.3	-1.9	-12.0
Dividend income	0.0	-0.1	-0.3
Taxes	-1.4	5.2	25.5
Changes in working capital:			
Change in trade and other receivables	-44.4	-13.4	-18.5
Change in inventories	-1.9	-0.9	1.3
Change in accounts payables and other liabilities	-2.7	2.7	33.5
Interest paid	-2.3	-2.2	-9.5
Paid financial expenses	-0.3	-2.6	-1.5
Received interest	1.5	1.5	0.0
Received financial income	3.5	1.9	7.0
Taxes paid	0.0	0.0	-2.0
Net cash flow from operating activities	**-32.9**	**24.4**	**191.8**
Cash flow from investing activities			
Sell of subsidiarys, net of cash sold	0.0	0.0	3.5
Investments in intangible assets	-5.5	-3.0	-16.1
Investments in tangible assets	-64.0	-12.9	-57.7
Net change of financial interest bearing assets at fair value through profit and loss	48.9	-3.7	-30.2
Sales of tangible fixed assets	0.4	0.1	2.8
Received dividens	0.0	0.1	0.3
Change in non-current receivable	0.5	-0.8	-2.6
Net cash flow from investing activities	**-19.7**	**-20.2**	**-100.0**
Cash flow from financing activities			
Loan withdrawals and changes	2.3	25.0	11.0
Loan repayments	-8.8	-2.6	-19.0
Purchase of own shares	0.0	0.0	-1.5
Sales own shares	0.0	0.0	0.2
Optio right to own shares	0.0	0.0	12.6
Share premium account changes	0.0	0.0	2.3
Dividends paid	0.0	0.0	-8.5
Net cash flow from financing activities	**-6.5**	**22.4**	**-2.9**
Change in cash flows	**-59.1**	**26.6**	**88.9**
Change in liquid funds			
Liquid funds. at beginning	339.4	250.5	250.5
Change in cash flows	-59.1	26.6	88.9
Liquit funds. in the end	**280.3**	**277.1**	**339.4**

EUR mill.	1 Jan - 31 Mar 2006	1 Jan - 31 Mar 2005	1 Jan -31 Dec 2005
Notes to cash flow statement			
1) Operations for which a payment is not included			
Depreciation	23.4	22.5	90.7
Employee benefits	-2.9	-2.9	2.6
Other adjustments	-1.6	-0.9	-1.6
Total	18.9	18.7	91.7
Financial asset at fair value	278.8	280.9	391.7
Cash and bank equivalents	27.9	46.5	26.7
Short-term cash and cash equivalents in balance sheet	306.7	327.4	418.4
Shares held to trading purposes	-4.2	-5.6	-7.9
Maturing after more than 3 months	-22.2	-44.7	-71.1
Total in cash flow statement	280.3	277.1	339.4

SHAREHOLDERS´EQUITY EUR mill.

Equity attributable to shareholders of parent company									
	Share capital	**New issue**	**Share pre-mium account**	**Bonus issue**	**Hedging reserve**	**Retained earnings**	**Total**	**Minority interests**	**Own equity total**
Share-holders equity 1.1.2005	72.1	0.0	5.7	147.7	-9.9	359.5	**575.1**	**1.2**	**576.3**
Translation difference						0.0	0.0		0.0
Dividend payment						-8.5	-8.5	-0.2	-8.7
Change in fair value of hedging instruments					22.4		22.4		22.4
Profit for the period						11.5	11.5	0.7	12.2
Share-holders equity 31.3.2005	72.1	0.0	5.7	147.7	12.5	362.5	**600.5**	**1.7**	**602.2**

SHAREHOLDERS´EQUITY EUR mill.

Equity attributable to shareholders of parent company									
	Share capital	**New issue**	**Share pre-mium ac-count**	**Bonus issue**	**Hedging reserve**	**Retai-ned ear-nings**	**Total**	**Minority interests**	**Own equity total**
Share-holders´ equity 1.1.2006	73.8	0.6	18.3	147.7	20.9	411.1	**672.4**	1.6	**674.0**
New issue shares	0.6	-0.6				-0.1	-0.1		-0.1
Translation difference						0.0	0.0		0.0
Dividend payment						-21.8	-21.8	-0.3	-22.1
Change in fair value of hedging instruments					-3.2		-3.2		-3.2
Profit for the period						-4.0	-4.0	0.2	-3.8
Share-holders equity 31.3.2006	74.4	0.0	18.3	147.7	17.7	385.2	**643.3**	**1.5**	**644.8**

SEGMENT INFORMATION

The business segments. Scheduled Passenger Traffic. Leisure Traffic. Aviation Services and Travel Services. are the primary reporting format. The geographical segments. Finland. Europe. Asia. North America and Others. make up the secondary reporting format. Segment information is based on the corresponding information reported in the financial statement 2005.

PRIMARY REPORTING FORMAT - BUSINESS SEGMENT DATA 1 JAN - 31 MARCH 2006

	Scheduled Passenger Traffic	**Leisure Traffic**	**Aviation Services**	**Travel Services**	**Group eliminations**	**Unallocated items**	**Group**
EUR mill.							
External turnover	324.0	108.3	26.5	21.5		0.0	480.3
Internal turnover	28.8	1.0	75.7	1.2	-106.7		0.0
Turnover	352.8	109.4	102.2	22.6	-106.7	0.0	480.3
Operating profit	-4.5	5.9	-3.5	0.3		-3.4	-5.2
Share of results of associated undertakings						0.0	0.0
Financial income						2.7	2.7
Financial expenses						-2.7	-2.7
Income tax						1.4	1.4
Minority interest						-0.2	-0.2
Profit for the period							-4.0
Other items							
Investments	39.7	0.5	7.6	0.3	0.0	0.6	48.7
Depreciation	16.3	0.1	5.9	0.4	0.0	0.7	23.4

PRIMARY REPORTING FORMAT - BUSINESS SEGMENT DATA 1 JAN - 31 MARCH 2005

	Scheduled Passenger Traffic	**Leisure Traffic**	**Aviation Services**	**Travel Services**	**Group elimina tions**	**Unallocated items**	**Group**
EUR mill.							
External turnover	296.6	100.7	25.4	20.7		0.0	443.4
Internal turnover	28.0	1.1	75.2	1.2	-105.5		0.0
Turnover	324.6	101.8	100.6	21.9	-105.5	0.0	443.4
Operating profit	9.7	4.9	5.2	1.3		-2.4	18.7
Share of results of associated undertakings						0.0	0.0
Financial income						3.8	3.8
Financial expenses						-5.1	-5.1
Income tax						-5.2	-5.2
Minority interest						-0.7	-0.7
Profit for the period							11.5
Other items							
Investments	3.8	0.0	4.6	0.1	0.0	1.8	10.3
Depreciation	15.9	0.0	5.6	0.4	0.0	0.6	22.5

TURNOVER

	2006	2005	Change	2005
	1 Jan– 31 Mar	1 Jan – 31 Mar	%	1 Jan – 31 Dec
EUR mill.				
Scheduled Passenger Traffic	352.8	324.6	8.7	1 407.9
Leisure Traffic	109.4	101.8	7.5	387.3
Aviation Services	102.2	100.6	1.6	400.9
Travel Services	22.6	21.9	3.2	91.2
Group eliminations	-106.7	-105.5	1.1	-416.2
Total	**480.3**	**443.4**	**8.3**	**1 871.1**

OPERATING PROFIT EXCLUDING GAINS ON SALES OF FIXED ASSETS AND FAIR VALUE CHANGES OF DERIVATIVES

	2006	2005	Change	2005
	1 Jan – 31 Mar	1 Jan – 31 Mar	%	1 Jan – 31 Dec
EUR mill.				
Scheduled Passenger Traffic	-4.5	9.7	-146.4	34.3
Leisure Traffic	5.9	4.9	20.4	20.3
Aviation Services	-3.5	5.2	-167.3	25.5
Travel Services	0.3	1.3	-76.9	8.1
Unallocated items	-3.3	-7.1	-53.5	-18.1
Total	**-5.1**	**14.0**	**-136.4**	**70.1**

AVERAGE PERSONNEL

	2006	2005	Change
	1 Jan – 31 Mar	1 Jan – 30 Mar	%
Scheduled Passenger Traffic	4 017	3 877	3.6
Leisure Traffic	351	335	4.8
Aviation Services	3 734	3 769	-0.9
Travel Services	1 162	1 178	-1.4
Other functions	229	227	0.9
Finnair Group Total	**9 493**	**9 386**	**1.1**

SECONDARY REPORTING FORMAT - GEOGRAPHICAL SEGMENTS

TURNOVER OUTSIDE THE GROUP BY SALES DESTINATION

	2006	2005
	1 Jan – 31 Mar	1 Jan– 31 Mar
EUR mill.		
Finland	118.2	115.0
Europe	214.8	206.2
Asia	105.3	78.4
North America	12.4	15.9
Others	29.6	27.9
Total	**480.3**	**443.4**

CONTINGENT LIABILITIES AND DERIVATIVE CONTRACTS EUR mill.

	31 Mar 2006	31 Mar 2005	31 Dec 2005
Other contingent liabilities			
Pledges on own behalf	254.5	240.5	260.1
Pledges on own behalf of subsidiaries	0.0	0.0	0.0
Guarantees on group undertakings	412.4	72.8	414.2
Guarantees on others	0.0	0.0	0.0
Total	**666.9**	**313.3**	**674.3**
Aircraft lease obligations	459.3	380.6	490.9
Total	**1 126.2**	**693.9**	**1 165.2**

Derivative contracts	**Nominal value**	**Fair value**	**Nominal value**	**Fair value**	**Nominal value**	**Fair value**
	31 Mar 2006	**31 Mar 2006**	**31 Mar 2005**	**31 Mar 2005**	**31 Dec 2005**	**31 Dec 2005**
Currency derivatives						
Forward contracts	581.4	8.2	359.4	-4.4	640.7	23.7
Currency options						
Bought	0.0	0.0	0.0	0.0	0.0	0.0
Sold	0.0	0.0	0.0	0.0	0.0	0.0
Currency swaps	83.8	-24.6	95.8	-36.5	91.5	-23.8
Interest rate derivativies						
Interest rate swaps	20.0	0.8	0.0	0.0	20.0	0.4
Interest rate options						
Bought	0.0	0.0	23.1	0.0	25.4	0.0
Sold	0.0	0.0	46.3	-0.4	50.9	-0.1
Total	**685.1**	**-15.7**	**524.7**	**-41.3**	**828.6**	**0.3**
Other derivative contracts						
Fuel price agreements (tonnes)	389 800	18.2	268 800	25.9	423 500	8.8
Fuel options (tonnes)						
Bought	25 000	1.0	20 000	1.2	12 000	0.2
Sold	46 000	-0.7	20 000	0.0	12 000	-0.1

AIR TRAFFIC 1 January – 31 March 2006

	Total traffic	**Europe**	**North America**	**Asia**	**Domestic**	**Scheduled Traffic Total**	**Leisure**	**Cargo**
Passengers (1000)	2 137	1 008	29	198	605	1 839	298	
%-change	4.8	9.2	-36.5	26.5	2.2	7.2	-7.5	
Cargo and mail (tonnes)	21 524	5 912	1 733	10 080	1 026	18 751	112	21 524
%-change	3.6	0.0	-18.8	20.4	-7.7	7.0	-11.9	3.6
Available seat-kilometres mill	6 025	1 864	251	1 678	565	4 358	1 666	
%-change	2.3	3.0	-41.0	21.8	0.3	4.3	-2.5	
Revenue passenger kilometres	4 497	1 139	191	1 318	318	2 966	1 531	
%-change	4.2	8.9	-41.9	24.1	0.9	7.8	-2.2	
Passenger load factor %	74.6	61.1	76.2	78.5	56.3	68.1	91.9	
%-change	1.3	3.3	-1.1	1.5	0.3	2.2	0.3	
Available tonne-kilometres	874							192
%-change	1.7							5.2
Revenue tonne-kilometres mill	511							110
%-change	5.1							8.4
Overall load factor %	58.5							57.2 *
%-change	1.9							3.1

* Operational calculatory capacity