



Listing of
EUR 150,000,000 Notes due 2018
The Notes are represented by units in denominations of EUR 1,000

On 29 August 2013, Finnair Plc ("**Finnair**", the "**Issuer**" or the "**Company**") issued senior unsecured notes with an aggregate nominal amount of EUR 150,000,000 (the "**Notes**") mainly to certain institutional investors. The Notes are represented by units in denominations of EUR 1,000. The rate of interest of the Notes is 5.0 per cent per annum. This document (this document and the documents incorporated herein by reference jointly referred to as the "**Listing Prospectus**") has been prepared solely for the purpose of admission to listing of the Notes to public trading on NASDAQ OMX Helsinki Ltd (the "**Helsinki Stock Exchange**") and does not constitute any offering of the Notes.

This Listing Prospectus has been drawn up in accordance with the Finnish Securities Markets Act (14 December 2012/746, as amended) (the "**Finnish Securities Markets Act**"), the Decree of the Finnish Ministry of Finance on the Prospectus referred to in Chapters 3 to 5 of the Finnish Securities Markets Act (20 December 2012/1019, as amended), the Commission Regulation (EC) No 809/2004, as amended, in application of the Annexes IV, V and XXII thereof, and the regulations and guidelines of the Finnish Financial Supervisory Authority (the "**FIN-FSA**"). The FIN-FSA, which is the competent authority for the purposes of Directive 2003/71/EC (as amended by Directive 2010/73/EU, the "**Prospectus Directive**") and relevant implementing measures in Finland, has approved this Listing Prospectus (journal number FIVA 72/02.05.04/2013) but assumes no responsibility for the correctness of the information contained herein.

Application has been made for the Notes to be admitted to public trading on the Helsinki Stock Exchange (the "**Listing**"), and the Listing is expected to take place on or about 2 September 2013.

Besides filing this Listing Prospectus with the FIN-FSA and the application to the Helsinki Stock Exchange, neither the Issuer nor the Lead Managers (defined hereafter) have taken any action, nor will they take any action to render the public offer of the Notes or their possession, or the distribution of this Listing Prospectus or any other documents relating to the Notes admissible in any other jurisdiction than Finland requiring special measures to be taken for the purpose of public offer.

The Notes have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state of the United States. The Notes may not be offered, sold, pledged or otherwise transferred directly or indirectly within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the Securities Act ("**Regulation S**")), except to a person who is not a U.S. Person (as defined in Regulation S) in an offshore transaction pursuant to Regulation S.

The Issuer or the Notes have not been assigned any credit ratings at the request or with the co-operation of the Issuer in the rating process.

Investment in the Notes involves certain risks. The principal risk factors that may affect the ability of the Issuer to fulfil its obligations under the Notes are discussed under "*Risk Factors*" below.

Lead Managers



IMPORTANT INFORMATION

In this Listing Prospectus, the “**Finnair Group**” and the “**Group**” refer to Finnair Plc and its subsidiaries and associated companies, on a consolidated basis. All references to “**Finnair**”, the “**Issuer**” and the “**Company**” refer to Finnair Plc, except where the context may otherwise require.

This Listing Prospectus should be read in conjunction with all documents which are deemed to be incorporated herein by reference and such documents form part of this Listing Prospectus. See “*Documents Incorporated by Reference*”.

Danske Bank A/S (“**Danske**”) and Pohjola Bank plc (“**Pohjola**”) (jointly the “**Lead Managers**”) are acting for Finnair as the arrangers and lead managers of the Issue of the Notes and the Listing. The Lead Managers are not acting for anyone else in connection with the Listing and will not be responsible to anyone other than Finnair for providing the protections afforded to their respective clients nor for providing any advice in relation to the Listing or the contents of this Listing Prospectus. Investors should rely only on the information contained in this Listing Prospectus. Without prejudice to any obligation of Finnair to publish a supplementary prospectus pursuant to applicable rules and regulations, neither the delivery of this Listing Prospectus nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of Finnair since the date of Listing Prospectus or that the information herein is correct as of any time subsequent to the date of Listing Prospectus.

In making an investment decision, each investor is recommended to rely on their examination, analysis and enquiry of Finnair and the Terms and Conditions of the Notes, including the risks and merits involved. Neither Finnair, nor the Lead Managers, nor any of their respective affiliated parties or representatives, is making any representation to any offeree or subscriber of the Notes regarding the legality of the investment by such person. Investors are recommended to make their independent assessment of the legal, tax, business, financial and other consequences of an investment in the Notes.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Listing Prospectus or any information supplied by Finnair or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by Finnair or the Lead Managers. No representation or warranty, express or implied, is made by the Lead Managers as to the accuracy or completeness of the information contained in this Listing Prospectus, and nothing contained in this Listing Prospectus is, or shall be relied upon as, a promise or representation by the Lead Managers in this respect, whether as to the past or the future. The Lead Managers assume no responsibility for the accuracy or completeness of the information and, accordingly, disclaim to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise, which they might otherwise be found to have in respect of this Listing Prospectus or any such statement.

Nothing contained in this Listing Prospectus is, or shall be relied upon as, a promise or representation by Finnair or the Lead Managers as to the future. Investors are advised to inform themselves of any stock exchange releases published by Finnair since the date of this Listing Prospectus.

The distribution of this Listing Prospectus may, in certain jurisdictions, be restricted by law, and this Listing Prospectus may not be used for the purpose of, or in connection with, any offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. No actions have been taken to register or qualify the Notes, or otherwise to permit a public offering of the Notes, in any jurisdiction outside of Finland. Finnair and the Lead Managers expect persons into whose possession this Listing Prospectus comes to inform themselves of and observe all such restrictions. Neither Finnair nor the Lead Managers accept any legal responsibility for any violation by any person, whether or not a prospective purchaser of Notes is aware of such restrictions. In particular:

- the Notes may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into the United States, Australia, Canada, Hong Kong, Japan, Singapore or any other jurisdiction in which it would not be permissible to offer the Notes; and
- this Listing Prospectus may not be sent to any person in the aforementioned jurisdictions.

This Listing Prospectus has been prepared in English only. However, the summary of this Listing Prospectus has been translated into Finnish.

The Notes are governed by Finnish law and any dispute arising in relation to the Notes shall be settled exclusively by Finnish courts in accordance with Finnish law.

Other than as set forth in the Responsibility Statement, no representation or warranty, express or implied, is made by Finnair or the Lead Managers as to the accuracy or completeness of information contained in this Listing Prospectus.

CONTENTS

IMPORTANT INFORMATION	I
CONTENTS	II
SUMMARY	1
TIIVISTELMÄ	12
RISK FACTORS	23
RISKS RELATING TO THE ISSUER.....	23
Risks Relating to Macroeconomic Conditions.....	23
Risks Relating to the Airline Industry.....	24
Risks Relating to the Business of the Issuer.....	27
Regulatory Risks.....	33
RISKS RELATING TO THE SECURITIES	35
Risks Relating to the Notes	35
CERTAIN INFORMATION	39
Responsibility Statement.....	39
Auditors	39
Special Cautionary Notice Regarding Forward Looking Statements	39
Market and Industry Information	39
Additional Information	40
No Incorporation of Website Information.....	40
Notice to Investors in the European Economic Area (Other Than Finland).....	40
Notice to Prospective Investors in the United Kingdom	40
INFORMATION ABOUT THE ISSUER.....	41
General.....	41
History and Development of the Issuer.....	41
Ongoing and Future Investments	42
Business overview	42
Airline Business.....	43
Aviation Services.....	44
Travel Services (Tour Operators and Travel Agencies).....	44
Agreements Outside the Ordinary Course of Business	44
Organization	45
SELECTED CONSOLIDATED FINANCIAL INFORMATION	46
FINANCIAL AND TREND INFORMATION, FUTURE OUTLOOK	51
Historical Financial Information.....	51
No Significant Change in the Issuer's Financial or Trading position.....	51
Trend Information – Business conditions	51
Future Outlook.....	51
Influence of management on factors affecting the estimates.....	52
Legal and Arbitration Proceedings.....	52
DIRECTORS, MANAGEMENT AND SIGNIFICANT SHAREHOLDERS	53
Board of Directors.....	53
Executive Board.....	54
Business Address	54
Conflicts of Interest.....	55

Corporate Governance	55
Board Committees	55
Significant Shareholders	55
DOCUMENTS INCORPORATED BY REFERENCE	56
DOCUMENTS ON DISPLAY AND AVAILABLE INFORMATION.....	56
ANNEX A – TERMS AND CONDITIONS OF THE NOTES	57
ANNEX B – ADDITIONAL INFORMATION ON THE ISSUE OF THE NOTES.....	66

SUMMARY

Summaries are made up of disclosure requirements known as ‘Elements’. These elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in the summary for this type of securities and the Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and the Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of ‘not applicable’.

A – Introduction and Warnings		
A.1	Warning	The following summary is not intended to be exhaustive and should be read as an introduction to this Listing Prospectus, including the financial statements of Finnair and other financial information contained in this Listing Prospectus. Any decision to invest in the Notes should be based on consideration of this Listing Prospectus as a whole. Certain terms used in this summary are defined elsewhere in this Listing Prospectus. Where a claim relating to the information contained in this Listing Prospectus is brought before a court in the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Listing Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled this summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Listing Prospectus or it does not provide, when read together with the other parts of the Listing Prospectus, key information in order to aid investors when considering whether to invest in the Notes.
A.2	Consent for subsequent resale or final placement of securities / offer period / conditions of the consent	Not applicable.
B – Issuer		
B.1	Legal and commercial name of the Issuer	Finnair Plc.
B.2	Domicile and legal form of the issuer, legislation under which the Issuer operates and country of incorporation of the Issuer	A Finnish limited liability company operating under the laws of Finland. Finnair’s domicile is Vantaa, Finland.
B.4b	Known trends affecting the Issuer and the Issuer’s industries	<p>The long-term growth prospects for air transport are good. Airbus estimates that between 2012 and 2031, revenue passenger kilometres will grow by 4% annually in developed regions (North America, Europe and Japan) and by 6% annually in expanding regions (other areas). Emerging economies drive strong travel growth due to increasing wealth, growing middle class and more first time flyers. The growing tourism and internationalisation and more efficient new generation aircraft further contribute to the growth.</p> <p>The global airline industry is, however, undergoing structural changes, the typical characteristics of which are market liberalisation, increasing competition especially by new generation low cost carriers, overcapacity, consolidation, alliances and specialisation. The high price of jet fuel impedes the situation</p>

		<p>further. In 2012, the intense competition in the industry was seen in major cost-reduction and structural change programs and bankruptcies of a number of European airlines. The capacity growth in the market is clearly more controlled than previously, and various partnerships have emerged, especially in international long-haul traffic.</p> <p>The uncertain economic outlook in Europe, weakened consumer demand and slower growth in Asia increase the uncertainty of the future development of air traffic. Fuel costs are expected to remain high in 2013 as well, and the demand for air traffic is estimated to grow moderately.</p>
B.5	Description of the group and the Issuer's position within the group	<p>Finnair Group business areas are Airline Business, Aviation Services and Travel Services. The subsidiaries provide support services to Finnair or operate in closely related areas.</p> <p>The Airline Business segment is responsible for scheduled passenger and charter traffic as well as cargo sales, customer service and service concepts, flight operations and activity connected with the procurement and financing of aircraft. It comprises the Sales & Marketing, Operations, Customer Service and Resources Management functions as well as the subsidiaries Finnair Cargo Oy, Finnair Cargo Terminal Operations Oy, Finnair Flight Academy Oy and Finnair Aircraft Finance Oy.</p> <p>The Aviation Services segment consists primarily of aircraft maintenance services, ground handling and the operations of Finncatering Oy and Finnair Travel Retail Oy.</p> <p>The Travel Services segment consists of the tour operator Aurinkomatkat (Suntours), its subsidiary operating in Estonia, and the business travel agencies Area and Finland Travel Bureau (FTB) and FTB's subsidiary Estravel, which operates in the Baltic countries.</p>
B.9	Profit forecast or estimate	<p>Finnair estimates its 2013 turnover to be approximately at the 2012 level due to the pressure that the weak yen puts on the Japan generated unit revenues. Unit costs excluding fuel (CASK excl. fuel) are expected to decrease compared to 2012. Finnair estimates that its operational result will show a profit in 2013.</p>
B.10	Qualifications in audit report on historical financial information	<p>The audit reports on historical financial information incorporated by reference into this Listing Prospectus do not contain any qualifications.</p>
B.12	Selected consolidated financial information and no material adverse change and no significant change statements	<p>The following is a summary of Finnair's unaudited interim report as at and for the six month period ended 30 June 2013 and 30 June 2012 and the audited consolidated financial statements as at and for the financial years ended 31 December 2012 and 31 December 2011. Finnair's interim report and the consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union.</p> <p>From 1 January 2013 Finnair Group has adopted the amendments to IAS 19 Employee Benefits. Comparative figures for 2012 have been restated according to the revised IAS 19 Employee Benefits. The change is allocated for the Airline Business segment. In addition, the grouping of de-icing, cleaning of aircraft and a few other expenses have been changed. The effect of these amendments on Finnair's consolidated income statement and the consolidated balance sheet for the financial year ended 31 December 2012 and for the six month period ended 30 June 2013 has been specified in a separate table "Change in accounting policies".</p> <p>There has been no material adverse change in the future outlook of Finnair since the publication of Finnair's last audited financial statements. Further, there has been no significant change in Finnair's financial or trading position since 30 June 2013.</p>

Consolidated income statement	Unaudited	Unaudited, restated	Unaudited, restated	Audited
in mill. EUR	Jan-Jun 2013	Jan-Jun 2012 ¹⁾	Jan-Dec 2012 ¹⁾	Jan-Dec 2011
Turnover	1,202.9	1,186.2	2,449.4	2,257.7
Work used for own purposes and capitalized	0.7	1.1	1.7	3.1
Other operating income	8.7	10.2	20.8	13.9
Capital gains *	0.0	0.0	22.2	-3.0
Operating income	1,212.2	1,197.5	2,494.1	2,271.7
Operating expenses				
Staff costs	202.7	225.9	429.2	455.4
Fuel	341.0	325.5	670.3	555.2
Lease payment for aircraft	28.9	35.2	66.2	69.9
Other rental payments	72.4	57.5	123.2	128.0
Fleet materials and overhaul	79.9	55.1	133.1	117.8
Traffic charges	109.0	112.4	226.0	211.6
Ground handling and catering expenses	128.7	117.9	247.2	195.8
Expenses for tour operations	45.9	57.1	96.8	131.2
Sales and marketing expenses	37.8	38.8	75.7	93.3
Depreciation	62.3	64.2	130.8	130.6
Other expenses	115.2	115.2	230.2	246.8
Total	1,223.8	1,204.8	2,428.7	2,335.6
Operational result, EBIT	-11.6	-7.3	43.2	-60.9
Fair value changes of derivatives and foreign currency denominated fleet maintenance reserves	6.7	-11.7	-4.0	-2.4
Non-recurring items	-20.7	-16.3	-27.6	-21.5
Total Expenses	1,237.8	1,232.8	2,460.3	2,359.5
Operating result, EBIT	-25.6	-35.3	33.8	-87.8
Financial income	38.7	4.9	7.9	9.0
Financial expenses	-8.9	-15.6	-25.5	-30.6
Share of result in associates and joint ventures	-1.6	-2.7	-1.4	-2.1
Result before taxes	2.5	-48.7	14.8	-111.5
Direct taxes	-1.3	10.8	-4.3	24.0
Result for the period	1.2	-37.9	10.5	-87.5
Result for the period attributable to shareholders of the parent company	1.0	-38.1	10.2	-87.7
Result for the period to non-controlling interest	0.2	0.2	0.3	0.2
Earnings per share attributable to shareholders of the parent company (euro)				
Earnings per share (basic, diluted)	-0.04	-0.33	0.01	-0.75
Earnings per share from the result of the period	0.01	-0.30	0.08	-0.69

* Not included in the operational result, EBIT.

¹⁾ From 1 January 2013 Finnair Group has adopted the amendments to IAS 19 Employee Benefits. Comparative figures for 2012 have been restated according to the revised IAS 19 Employee Benefits. The change is allocated for the Airline Business segment. In addition, the grouping of de-icing, cleaning of aircraft and a few other expenses have been changed.

Consolidated balance sheet	Unaudited	Unaudited, restated	Unaudited, restated	Audited
in mill. EUR	Jun 30, 2013	Jun 30, 2012 ¹⁾	Dec 31, 2012 ¹⁾	Dec 31, 2011
ASSETS				
Non-current assets				
Intangible assets	21.4	29.9	25.5	32.3
Tangible assets	1,342.6	1,375.3	1,362.6	1,468.2
Investments accounted for using the equity method	10.7	9.4	12.3	13.7
Financial assets	21.8	37.4	22.7	32.1
Deferred tax receivables	85.4	90.1	77.6	75.2
Total	1,481.8	1,542.1	1,500.7	1,621.5
Short-term receivables				
Inventories	18.2	18.5	17.1	48.9
Trade receivables and other receivables	325.0	317.4	251.1	283.3
Investments	330.0	364.4	363.5	353.8
Cash and cash equivalents	94.9	62.7	67.0	49.5
Total	768.2	763.0	698.7	735.5
Non-current assets held for sale	27.1	86.8	31.9	0.0
Assets total	2,277.1	2,391.9	2,231.3	2,357.0
Shareholders' equity and liabilities				
Capital and provisions attributable to equity holders of the parent company				
Shareholders' equity	75.4	75.4	75.4	75.4
Other equity	658.2	613.2	699.0	676.4
Total	733.6	688.6	774.4	751.8
Non-controlling interest	0.8	0.8	0.9	0.7
Equity total	734.4	689.4	775.3	752.5
Long-term liabilities				
Deferred tax liability	89.9	91.6	91.6	98.5
Financial liabilities	349.6	482.2	413.5	516.0
Pension obligations	5.0	0.0	3.6	0.0
Provisions	83.5	90.6	82.3	86.9
Total	528.0	664.4	591.0	701.4
Short-term liabilities				
Current income and tax liabilities	0.0	0.0	0.1	0.0
Provisions	45.3	42.7	38.2	46.0
Financial liabilities	194.8	205.7	174.2	229.9
Trade payables and other liabilities	772.0	773.4	650.3	627.2
Liabilities of non-current assets held for sale	2.5	16.3	2.2	-
Total	1,014.6	1,038.1	865.0	903.1
Liabilities total	1,542.6	1,702.5	1,456.0	1,604.5
Shareholders' equity and liabilities total	2,277.1	2,391.9	2,231.3	2,357.0

¹⁾ From 1 January 2013 Finnair Group has adopted the amendments to IAS 19 Employee Benefits. Comparative figures for 2012 have been restated according to the revised IAS 19 Employee Benefits. The change is allocated for the Airline Business segment. In addition, the grouping of de-icing, cleaning of aircraft and a few other expenses have been changed.

		Unaudited	Unaudited, restated	Unaudited, restated	Audited
		Jan-Jun 2013	Jan-Jun 2012 ¹⁾	Jan-Dec 2012 ¹⁾	Jan-Dec 2011
Key Figures					
Turnover and result					
Turnover	EUR million	1,202.9	1,186.2	2,449.4	2,257.7
Operational result, EBIT	EUR million	-11.6	-7.3	43.2	-60.9
Operational result, % turnover	%	-1.0	-0.6	1.8	-2.7
Operating result, EBIT	EUR million	-25.6	-35.3	33.8	-87.8
EBITDAR	EUR million	79.6	92.1	240.2	139.6
Result before taxes	EUR million	2.5	-48.7	14.8	-111.5
Net result	EUR million	1.2	-37.9	10.5	-87.5
Balance sheet and cash flow					
Equity ratio	%	32.7	29.3	35.4	32.6
Gearing	%	13.3	35.4	18.0	43.3
Adjusted gearing	%	70.4	106.8	77.8	108.4
Capital expenditure, CAPEX	EUR million	27.0	10.3	41.4	203.9
Return on capital employed, ROCE 12 months rolling	%	6.8	-3.8	2.8	-5.2
Return on equity, ROE , 12 months rolling	%	7.0	-9.2	1.4	-10.9
Net cash flow from operating activities	EUR million	78.6	92.3	154.7	50.8
Share					
Share price at end of quarter	EUR	2.70	1.75	2.38	2.30
Earnings per share	EUR	-0.04	-0.33	0.08	-0.75

¹⁾ From 1 January 2013 Finnair Group has adopted the amendments to IAS 19 Employee Benefits. Comparative figures for 2012 have been restated according to the revised IAS 19 Employee Benefits. The change is allocated for the Airline Business segment. In addition, the grouping of de-icing, cleaning of aircraft and a few other expenses have been changed.

CHANGE IN ACCOUNTING POLICIES

From 1 January 2013 Finnair Group has adopted the amendments to IAS 19 Employee Benefits. The change is allocated for the Airline Business segment. The grouping of de-icing, cleaning of aircraft and a few other expenses have been changed. The effects of the amendments on consolidated income statement and consolidated balance sheet for the six months ended 30 June 2012 and for the year ended 31 December 2012 are described below.

Consolidated income statement	Jan-Jun 2012				
in mill. EUR	Reported	IAS 19 Employee Benefits	De-icing and cleaning of aircraft	Other adjustment	Restated
Operating income	1,197.5	0.0	0.0	0.0	1,197.5
Staff costs	228.8	-3.0	0.0	0.1	225.9
Fleet materials and overhaul	71.8	0.0	-16.7	0.0	55.1
Ground handling and catering expenses	101.2	0.0	16.7	0.0	117.9
Sales and marketing expenses	38.2	0.0	0.0	0.6	38.8
Other expenses	115.9	0.0	0.0	-0.7	115.2
Other expenses total	679.9	0.0	0.0	0.0	679.9
Operating result, EBIT	-38.3	3.0	0.0	0.0	-35.3
Result before taxes	-51.7	3.0	0.0	0.0	-48.7
Direct taxes	11.5	-0.7	0.0	0.0	10.8
Result for the period	-40.2	2.3	0.0	0.0	-37.9

Consolidated income statement		Jan-Dec 2012			
in mill. EUR	Reported	IAS 19 Employee Benefits	De-icing and cleaning of aircraft	Other adjustment	Restated
Operating income	2,494.1	0.0	0.0	0.0	2,494.1
Staff costs	426.9	1.7	0.0	0.6	429.2
Fleet materials and overhaul	156.0	0.0	-22.9	0.0	133.1
Ground handling and catering expenses	224.3	0.0	22.9	0.0	247.2
Sales and marketing expenses	74.3	0.0	0.0	1.4	75.7
Other expenses	232.2	0.0	0.0	-2.0	230.2
Other expenses total	1,344.9	0.0	0.0	0.0	1,344.9
Operating result, EBIT	35.5	-1.7	0.0	0.0	33.8
Result before taxes	16.5	-1.7	0.0	0.0	14.8
Direct taxes	-4.7	0.4	0.0	0.0	-4.3
Result for the period	11.8	-1.3	0.0	0.0	10.5

Consolidated balance sheet	30 Jun 2012			31 Dec 2012		
in mill. EUR	Reported	Adjustment	Restated	Reported	Adjustment	Restated
ASSETS						
Non-current assets						
Financial assets	32.5	4.9	37.4	33.1	-10.4	22.7
Other non-current assets	1,504.7	0.0	1,504.7	1,478.0	0.0	1,478.0
Non-current assets total	1,537.2	4.9	1,542.1	1,511.1	-10.4	1,500.7
Short-term receivables total	849.8	0.0	849.8	730.6	0.0	730.6
Assets total	2,387.0	4.9	2,391.9	2,241.7	-10.4	2,231.3
Shareholders' equity and liabilities						
Capital and provisions attributable to equity holders of the parent company						
Shareholders' equity	75.4	0.0	75.4	75.4	0.0	75.4
Other equity	608.5	4.7	613.2	709.2	-10.2	699.0
Total	683.9	4.7	688.6	784.6	-10.2	774.4
Non-controlling interest	0.8	0.0	0.8	0.9	0.0	0.9
Equity total	684.7	4.7	689.4	785.5	-10.2	775.3
Long-term liabilities						
Deferred tax liability	91.4	0.2	91.6	94.9	-3.3	91.6
Pension obligations	0.0	0.0	0.0	0.5	3.1	3.6
Other long-term liabilities	572.8	0.0	572.8	495.8	0.0	495.8
Total	664.2	0.2	664.4	591.2	-0.2	591.0
Short-term liabilities total	1,038.1	0.0	1,038.1	865.0	0.0	865.0
Liabilities total	1,702.3	0.2	1,702.5	1,456.2	-0.2	1,456.0
Shareholders' equity and liabilities total	2,387.0	4.9	2,391.9	2,241.7	-10.4	2,231.3

B.13	Recent events materially relevant to evaluation of the Issuer's solvency	There are no recent events materially relevant to evaluation of the Issuer's solvency.
B.14	Dependency of the Issuer on other entities within the group	Finnair Group's subsidiaries provide support services to Finnair or operate in closely related areas. Finnair Group's largest subsidiaries are Finnair Aircraft Finance Oy, Finnair Cargo Oy, Finnair Cargo Terminal Operations Oy, Finnair Flight Academy Oy, Finncatering Oy, Finnair Travel Retail Oy, Aurinkomatkat (Suntours), Area and Finland Travel Bureau.
B.15	Description of the Issuer's principal activities	Finnair operates passenger, charter and cargo traffic, owns and leases aircraft as well as provides travel agency and other services relating to airline operations. Finnair flies to over 70 destinations in Finland, Europe, Asia and North-America.
B.16	Description of whether the Issuer is directly or indirectly owned or controlled and by whom and nature of such control	The State of Finland owns 55.8 per cent of the issued and outstanding shares and votes in the Issuer. The Issuer is thus directly controlled by the State of Finland. The Issuer is not aware of any arrangement the operation of which may result in a change of control of the Issuer.
B.17	Issuer Ratings	Finnair is not rated by any rating agency.
C – Securities		
C.1	Type and class of securities being offered	Senior unsecured notes with an aggregate nominal amount of EUR 150,000,000. The ISIN code of the Notes is FI4000068598.
C.2	Currency	EUR
C.5	Description of restrictions on free transferability of the Securities	Each Note will be freely transferable after it has been registered into the respective book-entry account.
C.8	Ranking of Securities	The Notes constitute direct, unsecured and unguaranteed obligations of the Issuer ranking <i>pari passu</i> among each other and with all other unsecured and unsubordinated indebtedness of the Issuer, save for such obligations as may be preferred by mandatory provisions of law.
C.9	Interest and yield; name of representative of debt security holders	<p>The Notes bear fixed interest at the rate of 5.0 per cent, per annum. The interest on the Notes will be paid annually in arrear commencing on 29 August 2014 and thereafter on each 29 August (“Interest Payment Date”) until 29 August 2018 (the “Redemption Date”). The Issuer may also redeem the Notes on a date earlier than the Redemption Date upon change of control, other put option event or Event of Default, in which case interest shall be payable until such earlier date.</p> <p>Interest shall accrue for each interest period from and including the first day of the interest period to (but excluding) the last day of the interest period on the principal amount of Notes outstanding from time to time. The first interest period commences on the Issue Date and ends on the first Interest Payment Date. Each consecutive interest period begins on the previous Interest Payment Date and ends on the following Interest Payment Date. The last interest period ends on the Redemption Date or on an earlier date upon change of control, other put option event or Event of Default.</p>

		<p>Interest in respect of the Notes will be calculated on the basis of the actual number of days elapsed in the relevant interest period divided by 365 (or, in the case of a leap year, 366).</p> <p>The effective yield of the Notes on the Issue Date was 5.024 per cent.</p>
C.10	Explanation on how the interest amount is affected by value of the underlying	Not applicable. The Notes have no derivative component in the interest payment.
C.11	Listing	Application has been made for the Notes to be admitted to public trading on the Helsinki Stock Exchange, and the Listing is expected to take place on or about 2 September 2013.
D – Risks		
D.2	Risks relating to the Issuer	<p>Risks Relating to Macroeconomic Conditions</p> <ul style="list-style-type: none"> • Uncertain global economic and financial market conditions could adversely affect the Issuer's business, results of operations, financial condition, liquidity and capital resources • Negative economic developments and conditions in Europe and Asia may affect Finnair's operations and customers <p>Risks Relating to the Airline Industry</p> <ul style="list-style-type: none"> • Competition in the airline industry is intense • The Issuer is exposed to risks associated with jet fuel price trends and availability of jet fuel • The airline industry is characterised by low profit margins and high fixed costs • Airline operating results are sensitive to economic and geopolitical conditions which can have a significant impact on the demand for air transportation • Inability of the Issuer to acquire and maintain airport slots may have a material adverse effect on the Issuer's business, financial condition or results of operations • Airlines are subject to traffic charges imposed by sovereign states • Epidemics and/or pandemics can adversely affect the demand for air travel • The Issuer is exposed to the risk of significant losses from air crashes or other disasters • The Issuer is exposed to the risk of significant losses from natural disasters, such as volcanic ash clouds • Future terrorist incidents, or the threat of such incidents, could result in a significant reduction in airline passenger travel • Airline insurance may become too difficult or expensive to obtain which could expose the Issuer to substantial loss and may force it to cease operations <p>Risks Relating to the Business of the Issuer</p> <ul style="list-style-type: none"> • The Issuer's business operations and its growth strategy are dependent on the ability of Helsinki-Vantaa Airport to meet the increasing air traffic to the airport • The Issuer's business, financial condition and results of operations will be

		<p>affected by the results of its Asia strategy</p> <ul style="list-style-type: none"> • The Issuer may not be successful in its ongoing strategic initiatives to improve productivity and reduce operating costs • The Issuer's employees may engage in strikes and other work-related disruptions • The Issuer is dependent on attracting and retaining qualified airline personnel at reasonable cost • A delay or failure in the completion of the Issuer's fleet restructuring may have a material adverse effect on the Issuer • The Issuer's dependence on Airbus as manufacturer will increase in the future and any problems associated with Airbus aircraft may have a material adverse effect on the Issuer • The Issuer has substantial future financing needs and is exposed to risks related to its continuing financing needs • The amount of indebtedness that the Issuer currently has and which it may incur in the future could have a material adverse effect on the Issuer • Currency fluctuations may affect the Issuer's financial condition or results of operations • The market price of derivatives may involve risks • The Issuer is exposed to interest rate risk on its variable rate borrowing and aircraft leases • The Issuer is exposed to the residual value risk and also to the impairment of the aircraft during the ownership period • The Issuer is dependent on uninterrupted operation of technology and IT systems • The Issuer is exposed to information security risks • The Issuer relies on partners and third parties to provide it with services and facilities that are integral to its business • Some of the Issuer's current or future routes may not become profitable • Any adverse developments affecting the Issuer's strategic alliances and cooperation arrangements with partner airlines may have a material adverse effect on the Issuer • Any deterioration in brand image or consumer confidence in the Finnair brand may adversely affect the Issuer's ability to market its services and attract and retain customers • The Issuer may, from time to time, be involved in litigation and arbitration proceedings, which, if an unfavourable judgment against the Issuer is made, may have a material adverse effect on the Issuer <p>Regulatory Risks</p> <ul style="list-style-type: none"> • The EU Court ruling on compensations for delayed flights may result in additional costs for the Issuer • The adoption of new national, regional and international regulations or revisions to existing regulations may have a material adverse effect on the Issuer • Airlines may be adversely affected by any future application of restrictions in
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		<p>regard to noise pollution, greenhouse gas emissions and other environmental laws and regulations</p> <ul style="list-style-type: none"> • Changes in the existing bilateral agreements or the trade relationship between European Union and Russia or other non-EU countries may have a material adverse effect on the business, financial condition or results of operations of the Issuer • Abolition of existing tax exemptions for jet fuel would lead to a substantial increase in the Issuer's jet fuel costs
D.3	Risks relating to the Securities	<p>Risks relating to the Notes</p> <ul style="list-style-type: none"> • The Notes may not be a suitable investment for all investors • Possibility to forfeit interest and principal amount invested • No guarantee or security • Active trading market for the Notes may not develop • Since the Notes bear a fixed interest rate, their price may fall as a result of changes in the interest rates • Absence of rating • The completion of transactions relating to the Notes is dependent on Euroclear Finland Ltd.'s operations and systems • No assurance as to the impact of change of laws or practices • The Notes do not, as a rule, contain covenants governing the Issuer's operations and do not limit its ability to merge, effect asset sales (other than in relation to the long-haul Asian traffic) or otherwise effect significant transactions that may have a material adverse effect on the Notes and the Noteholders • The Issuer using its right to redeem and purchase the Notes prior to maturity may have a material adverse effect on the Issuer and on any Notes outstanding • Amendments to the Notes bind all Noteholders • The right to payment under the Notes may become void due to prescription • No voting rights • No limitation on issuing additional debt
E – Offer		
E.2b	Reasons for offer and use of proceeds when different from making profit and/or hedging certain risks	Use of proceeds: General corporate purposes.
E.3	Terms and conditions of offer	<p>Issue date: 29 August 2013.</p> <p>Redemption date: 29 August 2018, or earlier upon change of control, demerger, disposal or cessation of all or a material part of the long-haul Asian traffic or Event of Default.</p> <p>Aggregate nominal amount of the Issue: EUR 150,000,000.</p> <p>Interest payment dates: Annually in arrears commencing on 29 August 2014 and thereafter on each 29 August.</p>

		<p>Interest: 5.0 per cent per annum.</p> <p>Effective yield of the Notes on the Issue Date: 5.024 per cent.</p> <p>Redemption: At par, bullet, at maturity.</p> <p>Minimum Subscription Amount: EUR 100,000.</p> <p>Denomination of a book-entry unit: EUR 1,000.</p> <p>Covenants: Change of Control, Demerger, Disposal or cessation of all or a material part of the long-haul Asian traffic, Negative Pledge, Cross Default.</p> <p>Clearing: The Notes are issued in dematerialised form in the RM-book-entry securities system of Euroclear Finland Ltd.</p> <p>Applicable law: Finnish Law.</p>
E.4	Interest material to issue including conflicting interests	Interests of the Lead Managers: Business interest normal in the financial markets.
E.7	Estimated expenses charged to investor	No expenses will be charged to the investor by Finnair in respect of the Notes issue.

TIIVISTELMÄ

Tiivistelmät koostuvat sääntelyn edellyttämistä tiedoista, joita kutsutaan nimellä ”osatekijät”. Nämä osatekijät on numeroitu jaksoittain A–E (A.1 – E.7).

Tämä tiivistelmä sisältää kaikki ne osatekijät, jotka kyseessä olevasta arvopaperista ja sen liikkeeseenlaskijasta tulee esittää. Osatekijöiden numerointi ei välttämättä ole juokseva, koska kaikkia osatekijöitä ei arvopaperin tai liikkeeseenlaskijan luonteen vuoksi ole esitettävä tässä tiivistelmässä.

Vaikka arvopaperin tai liikkeeseenlaskijan luonne edellyttäisi jonkin osatekijän sisällyttämistä tiivistelmään, on mahdollista, ettei kyseistä osatekijää koskevaa merkityksellistä tietoa ole lainkaan. Tällöin osatekijä kuvataan lyhyesti ja sen yhteydessä mainitaan ”ei sovellu”.

Jakso A – Johdanto ja varoitukset		
A.1	Varoitus	Seuraavaa tiivistelmää ei ole tarkoitettu kattavaksi esitykseksi, vaan se on johdanto tässä Listalleottoesitteessä esitettäviin yksityiskohtaisiin tietoihin, mukaan luettuna Finnairin tilinpäätöstiedot ja tähän Listalleottoesitteeseen sisältyvät taloudelliset tiedot. Sijoittajien tulee perustaa Velkakirjoja koskeva sijoituspäätöksensä Listalleottoesitteessä esitettyihin tietoihin kokonaisuutena. Tiedot tässä tiivistelmässä käytetyt termit on määritelty muualla tässä Listalleottoesitteessä. Mikäli Euroopan talousalueella nostetaan tähän Listalleottoesitteeseen sisältyviä tietoja koskeva kanne, kantajana toimiva sijoittaja voi joutua ennen oikeudenkäynnin vireillepanoa vastaamaan esitteen käännös-kustannuksista sen jäsenvaltion lainsäädännön mukaisesti, jossa kanne nostetaan. Siviilioikeudellista vastuuta sovelletaan henkilöihin, jotka ovat laatineet tiivistelmän, sen käännös mukaan luettuna, mutta vain, jos tiivistelmä on harhaanjohtava, epätarkka tai epä johdonmukainen suhteessa Listalleottoesitteen muihin osiin tai jos siinä ei anneta yhdessä Listalleottoesitteen muiden osien kanssa keskeisiä tietoja sijoittajien auttamiseksi, kun he harkitsevat sijoittamista Velkakirjoihin.
A.2	Suostumus arvopaperien edelleenmyyntiin ja lopulliseen sijoittamiseen / tarjousaika / suostumuksen ehdot	Ei sovellu.
Jakso B – Liikkeeseenlaskija		
B.1	Liikkeeseenlaskijan virallinen nimi ja muu liiketoiminnassa käytetty toiminimi	Finnair Oyj.
B.2	Liikkeeseenlaskijan asuinpaikka ja oikeudellinen muoto, Liikkeeseenlaskijaan sovellettava laki ja Liikkeeseenlaskijan perustamismaa	Suomen lain mukaisesti perustettu osakeyhtiö. Finnairin kotipaikka on Vantaa, Suomi.
B.4b	Kuvaus mahdollisista tiedossa olevista suuntauksista, jotka vaikuttavat	Lentoliikenteen pitkän aikavälin kasvunäkymät ovat hyvät. Airbusin arvioiden mukaan vuosina 2012–2031 myydyt henkilökilometrit kasvavat vuosittain 4 prosenttia kehittyneillä alueilla (Pohjois-Amerikka, Eurooppa ja Japani) ja 6 prosenttia kehittyvillä alueilla (muut alueet). Kehittyvissä talouksissa matkailu

	liikkeeseenlaskijaan ja sen toimialaan	<p>kasvaa voimakkaasti lisääntyvän vaurauden, laajenevan keskiluokan ja ensi kertaa lentävien lukumäärän kasvun johdosta. Kasvua vauhdittavat edelleen lisääntyvä matkailu ja kansainvälistyminen sekä aiempaa tehokkaammat uuden sukupolven lentokoneet.</p> <p>Globaalilla lentoliikennealalla on kuitenkin käynnissä rakennemuutos, jolle on tyypillistä markkinoiden vapautuminen, koveneva kilpailu erityisesti uuden sukupolven halpalentoyhtiöiden taholta, ylikapasiteetti, konsolidoituminen, allianssit ja erikoistuminen. Lentokonepolttoaineen korkea hinta vaikeuttaa tilannetta entisestään. Vuonna 2012 alan voimakas kilpailu näkyi merkittävinä kustannussäästö- ja rakennemuutosohjelmina sekä useiden eurooppalaisten lentoyhtiöiden konkurssina. Kapasiteetin kasvu markkinoilla on selvästi aiempaa hallitumpaa, ja erityisesti kansainväliseen mannertenväliseen liikenteeseen on syntynyt useita yhteistyökumppanuuksia.</p> <p>Euroopan epävarmat talousnäkymät, heikentynyt kuluttajakysyntä ja Aasian hidastuva kasvu lisäävät lentoliikenteen tulevan kehityksen epävarmuutta. Polttoainekustannusten odotetaan pysyvän korkeana myös vuonna 2013, ja lentoliikenteen kysynnän kasvavan maltillisesti.</p>
B.5	Kuvaus konsernista, johon Liikkeeseenlaskija kuuluu, ja Liikkeeseenlaskijan asemasta siinä	<p>Finnair-konsernin liiketoiminta-alueet ovat Lentoliikenne, Lentotoimintapalvelut ja Matkapalvelut. Tytäryhtiöt toimivat lentoliikennettä tukevilla tai siihen läheisesti liittyvillä toimialoilla.</p> <p>Lentoliikenne-segmentti vastaa reitti- ja tilauslentoliikenteen sekä rahdin myynnistä, asiakaspalvelusta ja palvelukonsepteista, operatiivisesta lentotoiminnasta sekä lentokaluston hankintaan ja rahoittamiseen liittyvistä toiminnoista. Segmenttiin kuuluvat yksiköt ovat Kaupalliset toiminnot, Operatiiviset toiminnot, Asiakaspalvelutoiminnot ja Resurssienhallinta sekä tytäryhtiöt Finnair Cargo Oy, Finnair Cargo Terminal Operations Oy, Finnair Flight Academy Oy sekä Finnair Aircraft Finance Oy.</p> <p>Lentotoimintapalvelut-segmentti koostuu pääasiassa lentokonehuollosta, maapalveluista sekä Finncatering Oy:n ja Finnair Travel Retail Oy:n toiminnoista.</p> <p>Matkapalvelut-segmentin muodostavat Aurinkomatkat ja sen Virossa toimiva tytäryritys sekä liikematkatoimistot Area, Suomen Matkatoimisto (SMT) ja SMT:n Baltian maissa toimiva tytäryhtiö Estravel.</p>
B.9	Tulosennuste tai -arvio	<p>Heikko jeni rasittaa Japanin myynnin yksikkötuottoja, minkä vuoksi Finnair arvioi vuoden 2013 liikevaihtonsa pysyvän suunnilleen vuoden 2012 tasolla. Lentoliikenteen yksikkökustannusten ilman polttoainetta (CASK, excl. fuel) odotetaan laskevan vuodesta 2012. Finnair arvioi toiminnallisen tuloksen olevan voitollinen vuonna 2013.</p>
B.10	Historiallisia taloudellisia tietoja koskevassa tilintarkastuskertomuksessa esitetyt muistutukset	<p>Tähän Listalleottoesitteeseen viittaamalla sisällytettyjä historiallisia taloudellisia tietoja koskevat tilintarkastuskertomukset eivät sisällä muistutuksia.</p>
B.12	Valikoidut historialliset keskeiset taloudelliset tiedot, ei merkittäviä kielteisiä muutoksia eikä merkittäviä muutoksia	<p>Seuraavassa taulukossa on esitetty tiivistelmä Finnairin tilintarkastamattomista osavuositarkastuksista 30.6.2013 ja 30.6.2012 päätyneiltä kuuden kuukauden jaksoilta ja tilintarkastetuista konsernitilinpäätöksistä 31.12.2012 ja 31.12.2011 päätyneiltä tilikausilta. Finnairin osavuositarkastukset ja konsernitilinpäätökset on laadittu Euroopan unionin käyttöön ottamien kansainvälisten tilinpäätösstandardien ("IFRS") mukaisesti.</p> <p>Finnair-konserni on ottanut 1.1.2013 alkaen käyttöön uudistetun IAS 19 Työsuhde-etuudet -standardin. Vertailutiedot vuodelta 2012 on oikaistu uudistetun IAS 19, Työsuhde-etuudet -standardin mukaisesti. Muutos kohdistuu lentoliikennesegmenttiin. Lisäksi jäänestokulujen, lentokonesiivouksen ja eräiden</p>

		<p>muiden kulujen ryhmittelyä on muutettu. Näiden muutosten vaikutus Finnairin konsernin tuloslaskelmaan ja konsernitaseeseen 31.12.2012 päättyneeltä tilikaudelta ja 30.6.2013 päättyneeltä kuuden kuukauden jaksolta on esitetty erillisessä taulukossa ”<i>Laadintaperiaatteen muutos</i>”.</p> <p>Finnairin tulevaisuudennäkymissä ei ole tapahtunut merkittäviä kielteisiä muutoksia Finnairin viimeksi julkistetun tilintarkastetun tilinpäätöksen jälkeen. Finnairin taloudellisessa tai liiketoiminnallisessa asemassa ei ole tapahtunut merkittäviä muutoksia 30.6.2013 jälkeen.</p>
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Konsernin tuloslaskelma	Tilintarkastamaton 1-6/ 2013	Tilin- tarkastamaton, oikaistu 1-6/ 2012 ¹⁾	Tilin- tarkastamaton, oikaistu 1-12/ 2012 ¹⁾	Tilin- tarkastettu 1-12/ 2011
Milj. euroa	1-6/ 2013	1-6/ 2012¹⁾	1-12/ 2012¹⁾	1-12/ 2011
Liikevaihto	1.202,9	1.186,2	2.449,4	2.257,7
Valmistus omaan käyttöön	0,7	1,1	1,7	3,1
Liiketoiminnan muut tuotot	8,7	10,2	20,8	13,9
Käyttöomaisuuden myyntivoitot *	0,0	0,0	22,2	-3,0
Liiketoiminnan tuotot	1.212,2	1.197,5	2.494,1	2.271,7
Liiketoiminnan kulut				
Henkilöstökulut	202,7	225,9	429,2	455,4
Polttoaineet	341,0	325,5	670,3	555,2
Lentokaluston leasemaksut	28,9	35,2	66,2	69,9
Muut vuokrat	72,4	57,5	123,2	128,0
Kaluston aineostot ja huolto	79,9	55,1	133,1	117,8
Liikennöimismaksut	109,0	112,4	226,0	211,6
Maaselvitys- ja cateringkulut	128,7	117,9	247,2	195,8
Valmismatkatuotannon kulut	45,9	57,1	96,8	131,2
Myynti- ja markkinointikulut	37,8	38,8	75,7	93,3
Poistot	62,3	64,2	130,8	130,6
Muut kulut	115,2	115,2	230,2	246,8
Toiminnalliset kulut yhteensä	1.223,8	1.204,8	2.428,7	2.335,6
Toiminnallinen liikevoitto, EBIT	-11,6	-7,3	43,2	-60,9
Johdannaisten käyvän arvon ja valuuttamääräisten lentokaluston huoltovarausten arvon muutokset	6,7	-11,7	-4,0	-2,4
Kertaluonteiset erät	-20,7	-16,3	-27,6	-215
Kulut yhteensä	1.237,8	1.232,8	2.460,3	2.359,5
Liikevoitto, EBIT	-25,6	-35,3	33,8	-87,8
Rahoitustuotot	38,7	4,9	7,9	9,0
Rahoituskulut	-8,9	-15,6	-25,5	-30,6
Osuus pääomaosuusmenetelmällä yhdistettyjen yhtiöiden tuloksesta	-1,6	-2,7	-1,4	-2,1
Tulos ennen veroja	2,5	-48,7	14,8	-111,5
Välittömät verot	-1,3	10,8	-4,3	24,0
Kauden tulos	1,2	-37,9	10,5	-87,5
Emoyhtiön omistajille kuuluva osuus kauden tuloksesta	1,0	-38,1	10,2	-87,7
Määräysvallattomien omistajien osuus kauden tuloksesta	0,2	0,2	0,3	0,2
Emoyhtiön omistajille kuuluvasta kauden tuloksesta laskettu osakekohtainen tulos (EUR)				
Laimentamaton / laimennettu osakekohtainen tulos, EPS	-0,04	-0,33	0,01	-0,75
Kauden tulos / osake	0,01	-0,30	0,08	-0,69

* Ei sisälly toiminnalliseen liikevoittoon.

¹⁾ Finnair-konserni on ottanut 1.1.2013 alkaen käyttöön uudistetun IAS 19 Työsuhde-etuudet -standardin. Vertailutiedot vuodelta 2012 on oikaistu uudistetun IAS 19, Työsuhde-etuudet -standardin mukaisesti. Muutos kohdistuu lentoliikennesegmenttiin. Lisäksi jäänestokulujen, lentokonesiivouksen ja eräiden muiden kulujen ryhmittelyä on muutettu.

Konsernin tase	Tilintarkastamaton 30.6.2013	Tilin- tarkastamaton, oikaistu 30.6.2012 ¹⁾	Tilin- tarkastamaton, oikaistu 31.12.2012 ¹⁾	Tilin- tarkastettu 31.12.2011
Milj. euroa	30.6.2013	30.6.2012¹⁾	31.12.2012¹⁾	31.12.2011
VARAT				
Pitkäaikaiset varat				
Aineettomat hyödykkeet	21,4	29,9	25,5	32,3
Aineelliset käyttöomaisuushyödykkeet	1.342,6	1.375,3	1.362,6	1.468,2
Pääomaosuusmenetelmällä käsiteltävät sijoitukset	10,7	9,4	12,3	13,7
Muut rahoitusvarat	21,8	37,4	22,7	32,1
Laskennalliset verosaamiset	85,4	90,1	77,6	75,2
Yhteensä	1 481,8	1 542,1	1 500,7	1.621,5
Lyhytaikaiset varat				
Vaihto-omaisuus	18,2	18,5	17,1	48,9
Myyntisaamiset ja muut saamiset	325,0	317,4	251,1	283,3
Muut rahoitusvarat	330,0	364,4	363,5	353,8
Rahavarat	94,9	62,7	67,0	49,5
Yhteensä	768,2	763,0	698,7	735,5
Myyttävänä olevat pitkäaikaiset omaisuuserät	27,1	86,8	31,9	0,0
Varat yhteensä	2.277,1	2.391,9	2.231,3	2.357,0
Oma pääoma ja velat				
Emoyhtiön omistajille kuuluva oma pääoma				
Osakepääoma	75,4	75,4	75,4	75,4
Muu oma pääoma	658,2	613,2	699,0	676,4
Yhteensä	733,6	688,6	774,4	751,8
Määräysvallattomien omistajien osuus	0,8	0,8	0,9	0,7
Oma pääoma yhteensä	734,4	689,4	775,3	752,5
Pitkäaikaiset velat				
Laskennalliset verovelat	89,9	91,6	91,6	98,5
Rahoitusvelat	349,6	482,2	413,5	516,0
Eläkevelvoitteet	5,0	0,0	3,6	0,0
Varaukset	83,5	90,6	82,3	86,9
Yhteensä	528,0	664,4	591,0	701,4
Lyhytaikaiset velat				
Kauden verotettavaan tuloon perustuvat verovelat	0,0	0,0	0,1	0,0
Varaukset	45,3	42,7	38,2	46,0
Rahoitusvelat	194,8	205,7	174,2	229,9
Ostovelat ja muut velat	772,0	773,4	650,3	627,2
Myyttävänä oleviin omaisuuseriin liittyvät velat	2,5	16,3	2,2	-
Yhteensä	1.014,6	1.038,1	865,0	903,1
Velat yhteensä	1.542,6	1.702,5	1.456,0	1.604,5
Oma pääoma ja velat yhteensä	2.277,1	2.391,9	2.231,3	2.357,0

¹⁾ Finnair-konserni on ottanut 1.1.2013 alkaen käyttöön uudistetun IAS 19 Työsuhde-etuudet -standardin. Vertailutiedot vuodelta 2012 on oikaistu uudistetun IAS 19, Työsuhde-etuudet -standardin mukaisesti. Muutos kohdistuu lentoliikennesegmenttiin. Jäänestokulujen, lentokonesiivouksen ja eräiden muiden kulujen ryhmittelyä on muutettu.

		Tilin- tarkastamaton	Tilin- tarkastamaton, oikaistu	Tilin- tarkastamaton, oikaistu	Tilin- tarkastettu
Avainluvut		1-6/ 2013	1-6/ 2012 ¹⁾	1-12/ 2012 ¹⁾	1-12/ 2011
Liikevaihto ja tulos					
Liikevaihto	milj. euroa	1.202,9	1.186,2	2.449,4	2.257,7
Toiminnallinen liiketulos, EBIT	milj. euroa	-11,6	-7,3	43,2	-60,9
Toiminnallinen liiketulos liikevaihdosta, %	%	-1,0	-0,6	1,8	-2,7
Liiketulos, EBIT	milj. euroa	-25,6	-35,3	33,8	-87,8
EBITDAR	milj. euroa	79,6	92,1	240,2	139,6
Tulos ennen veroja	milj. euroa	2,5	-48,7	14,8	-111,5
Kauden tulos	milj. euroa	1,2	-37,9	10,5	-87,5
Tase ja kassavirta					
Omavaraisuusaste	%	32,7	29,3	35,4	32,6
Nettovelkaantumisaste, gearing	%	13,3	35,4	18,0	43,3
Oikaistu nettovelkaantumisaste, adjusted gearing	%	70,4	106,8	77,8	108,4
Bruttoinvestoinnit	milj. euroa	27,0	10,3	41,4	203,9
Sijoitetun pääoman tuotto, ROCE, 12 kk rullaava	%	6,8	-3,8	2,8	-5,2
Oman pääoman tuotto, ROE, 12 kk rullaava	%	7,0	-9,2	1,4	-10,9
Liiketoiminnan nettorahavirta	milj. euroa	78,6	92,3	154,7	50,8
Osake					
Osakkeen hinta vuosineljänneksen lopussa	euroa	2,70	1,75	2,38	2,30
Osakekohtainen tulos, EPS	euroa	-0,04	-0,33	0,08	-0,75

¹⁾ Finnair-konserni on ottanut 1.1.2013 alkaen käyttöön uudistetun IAS 19 Työsuhde-etuudet -standardin. Vertailutiedot vuodelta 2012 on oikaistu uudistetun IAS 19, Työsuhde-etuudet -standardin mukaisesti. Muutos kohdistuu lentoliikenne-segmenttiin. Jäänestokulujen, lentokonesiivouksen ja eräiden muiden kulujen ryhmittelyä on muutettu.

LAADINTAPERIAATTEEN MUUTOS

Finnair-konserni on ottanut 1.1.2013 alkaen käyttöön uudistetun IAS 19 Työsuhde-etuudet -standardin. Muutos kohdistuu lentoliikenne-segmenttiin. Jäänestokulujen, lentokonesiivouksen ja eräiden muiden kulujen ryhmittelyä on muutettu. Muutosten vaikutukset konsernituloslaskelmaan ja konsernitaseeseen 30.6.2012 päättyneeltä kuuden kuukauden jaksolta ja 31.12.2012 päättyneeltä tilikaudelta on esitetty alla.

Konsernituloslaskelma	1-6/2012				
Milj. euroa	Raportoitu	IAS 19 Työsuhde-etuudet	Jäänesto ja lentokonesiivous	Muut muutokset	Oikaistu
Liiketoiminnan tuotot	1.197,5	0,0	0,0	0,0	1.197,5
Henkilöstökulut	228,8	-3,0	0,0	0,1	225,9
Kaluston aineostot ja huolto	71,8	0,0	-16,7	0,0	55,1
Maaselvitys- ja cateringkulut	101,2	0,0	16,7	0,0	117,9
Myynti- ja markkinointikulut	38,2	0,0	0,0	0,6	38,8
Muut kulut	115,9	0,0	0,0	-0,7	115,2
Muut kulut yhteensä	679,9	0,0	0,0	0,0	679,9
Liikevoitto, EBIT	-38,3	3,0	0,0	0,0	-35,3
Tulos ennen veroja	-51,7	3,0	0,0	0,0	-48,7
Välittömät verot	11,5	-0,7	0,0	0,0	10,8
Kauden tulos	-40,2	2,3	0,0	0,0	-37,9

Konsernituloslaskelma	1-12/2012				
Milj. euroa	Raportoitu	IAS 19 Työsuhde- etuudet	Jäänesto ja lentokone- siivous	Muut muutokset	Oikaistu
Liiketoiminnan tuotot	2.494,1	0,0	0,0	0,0	2.494,1
Henkilöstökulut	426,9	1,7	0,0	0,6	429,2
Kaluston aineostot ja huolto	156,0	0,0	-22,9	0,0	133,1
Maaselvitys- ja cateringkulut	224,3	0,0	22,9	0,0	247,2
Myynti- ja markkinointikulut	74,3	0,0	0,0	1,4	75,7
Muut kulut	232,2	0,0	0,0	-2,0	230,2
Muut kulut yhteensä	1.344,9	0,0	0,0	0,0	1.344,9
Liikevoitto, EBIT	35,5	-1,7	0,0	0,0	33,8
Tulos ennen veroja	16,5	-1,7	0,0	0,0	14,8
Välittömät verot	-4,7	0,4	0,0	0,0	-4,3
Kauden tulos	11,8	-1,3	0,0	0,0	10,5

Konsernitase	30.6.2012		31.12.2012			
Milj. euroa	Raportoitu	Muutos	Oikaistu	Raportoitu	Muutos	Oikaistu
VARAT						
Pitkäaikaiset varat						
Muut rahoitusvarat	32,5	4,9	37,4	33,1	-10,4	22,7
Muut pitkäaikaiset varat	1.504,7	0,0	1.504,7	1.478,0	0,0	1.478,0
Pitkäaikaiset varat yhteensä	1.537,2	4,9	1.542,1	1.511,1	-10,4	1.500,7
Lyhytaikaiset varat yhteensä	849,8	0,0	849,8	730,6	0,0	730,6
Varat yhteensä	2.387,0	4,9	2.391,9	2.241,7	-10,4	2.231,3
OMA PÄÄOMA JA VELAT						
Emoyhtiön omistajille kuuluva oma pääoma						
Osakepääoma	75,4	0,0	75,4	75,4	0,0	75,4
Muu oma pääoma	608,5	4,7	613,2	709,2	-10,2	699,0
Yhteensä	683,9	4,7	688,6	784,6	-10,2	774,4
Määräysvallattomien omistajien osuus	0,8	0,0	0,8	0,9	0,0	0,9
Oma pääoma yhteensä	684,7	4,7	689,4	785,5	-10,2	775,3
Pitkäaikaiset velat						
Laskennalliset verovelat	91,4	0,2	91,6	94,9	-3,3	91,6
Eläkevelvoitteet	0,0	0,0	0,0	0,5	3,1	3,6
Muut pitkäaikaiset velat	572,8	0,0	572,8	495,8	0,0	495,8
Yhteensä	664,2	0,2	664,4	591,2	-0,2	591,0
Lyhytaikaiset velat yhteensä	1.038,1	0,0	1.038,1	865,0	0,0	865,0
Velat yhteensä	1.702,3	0,2	1.702,5	1.456,2	-0,2	1.456,0
Oma pääoma ja velat yhteensä	2.387,0	4,9	2.391,9	2.241,7	-10,4	2.231,3

B.13	Viimeaikaiset tapahtumat, jotka ovat ratkaisevia arvioitaessa Liikkeeseenlaskijan maksukykyä	Sellaisia viimeaikaisia tapahtumia ei ole, joilla olisi ratkaiseva merkitys arvioitaessa Liikkeeseenlaskijan maksukykyä.
B.14	Liikkeeseenlaskijan riippuvuus muista	Finnair-konsernin tytäryhtiöt toimivat lentoliikennettä tukevalla tai siihen läheisesti liittyvillä toimialoilla. Finnair-konsernin suurimmat tytäryhtiöt ovat

	konserniin kuuluvista yksiköistä	Finnair Aircraft Finance Oy, Finnair Cargo Oy, Finnair Cargo Terminal Operations Oy, Finnair Flight Academy Oy, Finncatering Oy, Finnair Travel Retail Oy, Aurinkomatkat, Area ja Suomen Matkatoimisto.
B.15	Kuvaus Liikkeeseenlaskijan päätoimialoista	Yhtiö harjoittaa reitti-, loma- ja rahtilentotoimintaa, omistaa ja vuokraa lentokoneita sekä harjoittaa matkatoimisto- ja muuta lentoliikenteeseen liittyvää toimintaa. Finnair lentää yhteensä yli 70 kohteeseen kotimaassa, Euroopassa, Aasiassa ja Pohjois-Amerikassa.
B.16	Kuvaus siitä, onko Liikkeeseenlaskija suoraan tai välillisesti jonkun omistuksessa tai määräysvallassa ja mikä tämä taho on sekä määräysvallan luonteesta	Suomen valtio omistaa 55,8 prosenttia Liikkeeseenlaskijan liikkeeseen lasketuista osakkeista ja äänistä. Liikkeeseenlaskija on näin ollen suoraan Suomen valtion määräysvallassa. Liikkeeseenlaskija ei ole tietoinen mistään järjestelystä, joka voisi johtaa määräysvallan vaihtumiseen Liikkeeseenlaskijassa.
B.17	Liikkeeseenlaskijan luottoluokitukset	Finnairilla ei ole tällä hetkellä luottoluokituslaitoksen antamaa luottoluokitusta.
Jakso C – Arvopaperit		
C.1	Tarjottavien arvopapereiden tyyppi ja laji	Senior-statuksinen vakuudeton joukkovelkakirjalaina, jonka kokonaisnimellismäärä on 150.000.000 euroa. Velkakirjojen ISIN-koodi on FI4000068598.
C.2	Valuutta	Euro
C.5	Kuvaus arvopapereiden vapaata luovutettavuutta koskevista rajoituksista	Kukin Velkakirja on vapaasti luovutettavissa sen jälkeen, kun se on kirjattu asianomaiselle arvo-osuustilille.
C.8	Arvopapereiden etuoikeusjärjestys	Velkakirjat ovat Liikkeeseenlaskijan suoria, vakuudettomia ja takaamattomia velvoitteita, jotka ovat samanarvoisia keskenään ja Liikkeeseenlaskijan kaikkien muiden vakuudettomien ja etuoikeudettomien velvoitteiden kanssa, lukuun ottamatta niitä velvoitteita, joilla on etuoikeus pakottavan lain nojalla.
C.9	Korko ja tuotto; velkapaperien haltijoiden edustajan nimi	Velkakirjoille maksetaan kiinteää vuotuista korkoa, joka on 5,0 prosenttia. Velkakirjoille kertyvä korko maksetaan vuosittain takautuvasti alkaen 29.8.2014 ja tämän jälkeen 29.8. kunakin vuonna (" Koronmaksupäivä ") 29.8.2018 saakka (" Takaisinmaksupäivä "). Liikkeeseenlaskija voi lunastaa Velkakirjat myös Lunastuspäivää aikaisempaan ajankohtana määräysvallan vaihtumisen, sijoittajan ennenaikaisen takaisinmaksuvaatimuksen aiheuttavan muun perusteen tai Eräännyttämisperusteen johdosta, jolloin Velkakirjoille kertyvää korkoa maksetaan tällaiseen aikaisempaan ajankohtaan saakka. Velkakirjojen kulloinkin maksamatta olevalle pääomalle kertyy korkoa kultakin korkokaudelta korkokauden ensimmäinen päivä mukaan lukien ja korkokauden viimeinen päivä pois lukien. Ensimmäinen korkokausi alkaa Liikkeeseenlaskupäivänä ja päättyy ensimmäisenä Koronmaksupäivänä. Kukin seuraava korkokausi alkaa edeltävänä Koronmaksupäivänä ja päättyy seuraavana Koronmaksupäivänä. Viimeinen korkokausi päättyy Takaisinmaksupäivänä tai aikaisempaan ajankohtana määräysvallan vaihtumisen, sijoittajan ennenaikaisen takaisinmaksuvaatimuksen aiheuttavan muun perusteen tai Eräännyttämisperusteen johdosta.

		<p>Velkakirjoihin sovellettava koronlaskuperuste on asianomaisella korkokaudella kuluneiden päivien todellinen määrä jaettuna 365:llä (tai karkausvuonna 366:lla).</p> <p>Velkakirjojen efektiivinen tuotto oli Liikkeeseenlaskupäivänä 5,024 prosenttia.</p>
C.10	Tiedot siitä, kuinka kohde-etuuden arvo vaikuttaa koron määrään	Ei sovellu. Velkakirjoille maksettava korko ei ole yhteydessä johdannaiseen.
C.11	Listalleotto	Liikkeeseenlaskija on tehnyt hakemuksen Velkakirjojen ottamiseksi julkisen kaupankäynnin kohteeksi Helsingin Pörssissä, ja Velkakirjat listataan Helsingin Pörssiin arviolta 2.9.2013.
Jakso D – Riskit		
D.2	Liikkeeseenlaskijaan liittyvät riskit	<p>Makrotaloudelliseen tilanteeseen liittyviä riskejä</p> <ul style="list-style-type: none"> Kansainvälisen talouden ja rahoitusmarkkinoiden epävarma tilanne saattaa vaikuttaa epäedullisesti Liikkeeseenlaskijan liiketoimintaan, liiketoiminnan tulokseen, taloudelliseen asemaan, likviditeettiin ja pääomavaroihin Negatiivinen taloudellinen kehitys ja taloustilanne Euroopassa ja Aasiassa saattavat vaikuttaa Finnairin liiketoimintaan ja asiakkaisiin <p>Lentoliikennealaan liittyviä riskejä</p> <ul style="list-style-type: none"> Kilpailu lentoliikennealalla on intensiivistä Liikkeeseenlaskija on alttiina lentopetrolin hintakehitykseen ja saatavuuteen liittyville riskeille Matalat katteet ja korkeat kiinteät kustannukset kuuluvat lentoliikennealan luonteeseen Lentoyhtiöiden liiketoiminnan tulokseen heijastuvat taloudelliset ja geopoliittiset olosuhteet, jotka voivat vaikuttaa merkittävästi lentoliikenteen kysyntään Epäonnistuminen lentokenttien lähtö- ja saapumisaikojen hankkimisessa tai säilyttämisessä voi vaikuttaa olennaisesti Liikkeeseenlaskijan liiketoimintaan, taloudelliseen asemaan tai liiketoiminnan tulokseen Lentoyhtiöt ovat alttiina täysivaltaisten valtioiden määräämille liikennemaksuille Epidemiat ja/tai pandemiat voivat vaikuttaa haitallisesti lentomatkustuksen kysyntään Liikkeeseenlaskija on alttiina lento-onnettomuuksista tai muista katastrofeista aiheutuvien merkittävien tappioiden riskille Liikkeeseenlaskija on alttiina luonnonkatastrofien aiheuttamille riskeille, kuten esimerkiksi tulivuorien tuhkapilvien aiheuttamien merkittävien tappioiden riskille Tulevat terroriteot tai niiden uhka voivat johtaa lentomatkustuksen merkittävään vähentymiseen Lentoyhtiövakuutuksen hankkiminen voi tulla liian vaikeaksi tai kalliiksi, mistä syystä Liikkeeseenlaskija voi altistua olennaisille tappioille ja voi joutua lopettamaan toimintoja <p>Liikkeeseenlaskijan liiketoimintaan liittyviä riskejä</p> <ul style="list-style-type: none"> Liikkeeseenlaskijan liiketoiminta ja kasvustrategia riippuvat Helsinki-Vantaan lentokentän kyvystä tarjota riittävää kapasiteettia täyttämään kentän

		<p>kasvavan lentoliikenteen tarpeet</p> <ul style="list-style-type: none"> • Liikkeenlaskijan Aasia-strategian onnistuminen vaikuttaa sen liiketoimintaan, taloudelliseen asemaan ja liiketoiminnan tulokseen • Liikkeenlaskija ei välttämättä onnistu käynnistämässään tuottavuuden parantamiseen ja toimintakustannusten vähentämiseen pyrkivissä strategisissa hankkeissa • Liikkeenlaskijan työntekijät voivat osallistua lakkoihin tai muihin työselkkauksiin • Liikkeenlaskijan on kyettävä houkuttelemaan ja pitämään palveluksessaan pätevää henkilökuntaa kohtuullisin kustannuksin • Viivästys tai epäonnistuminen Liikkeenlaskijan laivaston uudistamisessa voi vaikuttaa olennaisen haitallisesti Liikkeenlaskijaan • Liikkeenlaskijan riippuvuus Airbusista lentokonevalmistajana kasvaa tulevaisuudessa, ja mitkä tahansa Airbusin lentokoneeseen liittyvät ongelmat voivat vaikuttaa olennaisen haitallisesti Liikkeenlaskijaan • Liikkeenlaskijalla on merkittäviä tulevia rahoitustarpeita, ja se on alttiina jatkuviin rahoitustarpeisiinsa liittyville riskeille • Liikkeenlaskijan nykyisen ja tulevaisuudessa mahdollisesti hankittavan velan määrä voi vaikuttaa olennaisen haitallisesti Liikkeenlaskijaan • Valuuttakurssien vaihtelu voi vaikuttaa Liikkeenlaskijan taloudelliseen asemaan tai liiketoiminnan tulokseen • Johdannaisten markkinahintaan saattaa liittyviä riskejä • Liikkeenlaskija on alttiina korkoriskille vaihtuvakorkoisten lainojensa ja lentokoneiden leasingsopimusten vuoksi • Liikkeenlaskija altistuu lentokoneiden jäännösarvoriskille sekä arvonalentumiselle myös omistusaikana • Liikkeenlaskija on riippuvainen teknologian ja IT-järjestelmien keskeytymättömästä toiminnasta • Liikkeenlaskija on alttiina tietoturvariskeille • Liikkeenlaskija on riippuvainen siitä, että sen kumppanit ja kolmannet osapuolet tarjoavat sille sen liiketoiminnan kannalta keskeisiä tavaroita ja palveluja • Jotkin Liikkeenlaskijan nykyisistä tai tulevista reiteistä eivät välttämättä tule kannattaviksi • Epäedulliset tapahtumat, jotka vaikuttavat Liikkeenlaskijan strategiaan alliansseihin ja yhteistyöjärjestelyihin kumppanuuslentoyhtiöiden kanssa, voivat vaikuttaa olennaisen haitallisesti Liikkeenlaskijaan • Mikäli brändin imago tai kuluttajien luottamus Finnairin brändiin heikkenevät, tämä voi vaikuttaa haitallisesti Yhtiön kykyyn markkinoida palvelujaan ja houkutella sekä pitää asiakkaita • Liikkeenlaskija voi aika ajoin olla asianosaisena oikeudenkäynneissä ja väliesmenettelyissä, ja jos ne johtavat Liikkeenlaskijalle epäsuotuisaan ratkaisuun, tämä voi vaikuttaa olennaisen haitallisesti Liikkeenlaskijaan <p>Sääntelyriskejä</p> <ul style="list-style-type: none"> • Euroopan unionin tuomioistuimen päätös lentojen myöhästymisen johdosta maksettavista korvauksista saattaa aiheuttaa Liikkeenlaskijalle
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		<p>lisäkustannuksia</p> <ul style="list-style-type: none"> • Uusien kansallisten, alueellisten ja kansainvälisten määräysten tai olemassa olevia määräyksiä koskevien muutosten säätäminen voi vaikuttaa olennaisen haitallisesti Liikkeeseenlaskijaan • Melusaastetta ja kasvihuonepäästöjä koskevien rajoitusten sekä muiden ympäristölakien ja määräysten soveltaminen tulevaisuudessa voi vaikuttaa haitallisesti lentoyhtiöihin • Muutokset kahdenvälisissä sopimuksissa tai kauppasuhteissa Euroopan unionin ja Venäjän tai muiden EU:n ulkopuolisten maiden välillä voivat vaikuttaa olennaisen haitallisesti Liikkeeseenlaskijan liiketoimintaan, taloudelliseen asemaan tai liiketoiminnan tulokseen • Voimassaolevien lentopetrolin verovapautusten poistaminen kasvattaisi olennaisesti Liikkeeseenlaskijan lentopetrolikustannuksia
D.3	Arvopapereihin liittyvät riskit	<p>Velkakirjoihin liittyviä riskejä</p> <ul style="list-style-type: none"> • Velkakirjat eivät välttämättä sovellu sijoituskohteeksi kaikille sijoittajille • Korko ja sijoitettu pääoma saatetaan menettää • Velkakirjoista ei ole asetettu vakuutta tai annettu takausta • Velkakirjoille ei välttämättä muodostu aktiivisia jälkimarkkinoita • Koska Velkakirjoille on asetettu kiinteä korko, niiden hinta saattaa laskea markkinakorkojen muuttuessa • Velkakirjoilla ei ole luottoluokitusta • Velkakirjoihin liittyvien transaktioiden toteutuminen riippuu Euroclear Finland Oy:n toiminnasta ja järjestelmästä • Ei ole varmuutta velkakirjoihin liittyvien lakien tai käytäntöjen muuttumisen vaikutuksista • Velkakirjat eivät lähtökohtaisesti sisällä Liikkeeseenlaskijan liiketoimintaan liittyviä kovenanteja eivätkä rajoita Liikkeeseenlaskijan oikeutta sulautua, toteuttaa liiketoimintakauppoja (muutoin kuin suhteessa mannertenväliseen Aasian-liikenteeseen) tai muutoin toteuttaa merkittäviä transaktioita, joilla saattaa olla olennaisen epädullinen vaikutus Velkakirjoihin ja Velkakirjanhaltijoihin • Liikkeeseenlaskijan oikeudella lunastaa ja ostaa Velkakirjat ennen niiden erääntymistä saattaa käytettäessä olla olennainen epädullinen vaikutus Liikkeeseenlaskijaan sekä lunastamattomiin Velkakirjoihin • Velkakirjoihin tehtävät muutokset sitovat kaikkia Velkakirjanhaltijoita • Oikeus maksuun Velkakirjojen perusteella vanhenee • Velkakirjat eivät anna äänioikeutta Liikkeeseenlaskijan kokouksissa • Lisävelan liikkeeseenlaskua ei ole rajoitettu
Jakso E – Tarjous		
E.2b	Syyt tarjoamiseen ja varojen käyttö, jos muu kuin voiton tavoittelu ja/tai tietyiltä riskeiltä suojautuminen	Hankittavien varojen käyttö: yleiset yhtiöoikeudelliset tarkoitukset.

E.3	Tarjousehdot	<p>Liikkeeseenlaskupäivä: 29.8.2013.</p> <p>Takaisinmaksupäivä: 29.8.2018, tai aikaisemmin määräysvallan vaihtumisen, jakautumisen, myynnin tai mannertenvälisen Aasian-liikenteen täydellisen tai kyseisen liikenteen olennaisen osan lakkauttamisen tai Eräännyttämisperusteen johdosta.</p> <p>Liikkeeseenlaskun kokonaismäärä: 150.000.000 euroa.</p> <p>Koronmaksupäivät: vuosittain jälkikäteisesti 29.8.2014 alkaen ja tämän jälkeen 29.8. kunakin vuonna.</p> <p>Korko: 5.0 prosenttia vuodessa.</p> <p>Velkakirjojen efektiivinen tuotto Liikkeeseenlaskupäivänä: 5,024 prosenttia.</p> <p>Takaisinmaksu: nimellisarvosta, kertalyhenteisesti, eräpäivänä.</p> <p>Minimimerkintä: 100.000 euroa.</p> <p>Arvo-osuuden yksikköko: 1.000 euroa.</p> <p>Kovenantit: määräysvallan vaihtuminen, jakautuminen, myynti tai mannertenvälisen Aasian-liikenteen täydellinen tai kyseisen liikenteen olennaisen osan lakkauttaminen, panttaamattomuussitoumus, ristiin eräännyttäminen.</p> <p>Selvitys: velkakirjat lasketaan liikkeeseen arvo-osuuksina Euroclear Finland Oy:n RM-arvo-osuusjärjestelmässä.</p> <p>Sovellettava laki: Suomen laki.</p>
E.4	Liikkeeseenlaskuun liittyvät olennaiset intressit, mukaan lukien eturistiriidat	Pääjärjestäjän intressit: rahoitusmarkkinoilla tavanomaiset liiketoimintaintressit.
E.7	Arvioidut sijoittajalta veloittavat kustannukset	Finnair ei veloita sijoittajalta Velkakirjojen liikkeeseenlaskuun liittyviä maksuja.

RISK FACTORS

Investors considering investment in the Notes should carefully review the information contained in this Listing Prospectus and, in particular, the risk factors described below and in the stock exchange releases published by the Company. Factors possibly affecting an investment decision are also discussed elsewhere in this Listing Prospectus. Should one or more of the risk factors described herein materialize, it may have a material adverse effect on Finnair's business, financial condition, results of operations and future prospects and, thereby, on Finnair's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes. As a result, investors may lose part or all of their investments. The following description is a summary of certain risk factors that may affect the Issuer's ability to fulfil its obligations under the Notes or that are material in order to assess the market risk associated with the Notes. This description is based on information known and assessed at the time of preparing this Listing Prospectus, and, therefore, the description of the risk factors is not necessarily exhaustive. The risks involved in an investment in the Notes are not limited to the factors identified below and the sequence in which the following risk factors are listed is not an indication of their likelihood to occur or of the extent of their commercial consequences. All investors should make their own evaluations of the risks associated with an investment in the Notes and consult with their own professional advisers if they consider it necessary.

RISKS RELATING TO THE ISSUER

Risks Relating to Macroeconomic Conditions

Uncertain global economic and financial market conditions could adversely affect the Issuer's business, results of operations, financial condition, liquidity and capital resources

The global credit crisis and the subsequent global recession that began in 2008 have had an adverse effect on general business conditions, increased unemployment and lowered business and consumer confidence. Despite the measures taken by various governmental and regulatory authorities as well as central banks around the world, the economic recovery has been slow. Austerity measures, which aim to balance the public finances in the euro area are causing a general decline of economic activity in Europe, which is dampening growth prospects in the region. In recent years, the general economic and financial market conditions in Europe and other parts of the world have repeatedly undergone significant turmoil due to, among other factors, the on-going sovereign debt crisis in certain European countries, particularly certain eurozone member countries, including Cyprus, Greece, Italy, Ireland, Portugal and Spain. Although the financial state of distressed euro area members except for Cyprus has improved and speculations on the break-up of the euro area have decreased since late 2012, no assurances can be made that the economic recovery will continue. There is still a risk that the global economy could fall back into a recession, or even a depression, that could be deeper and longer lasting than the recession experienced in 2008 and 2009.

The Issuer has, and may also in the future, be impacted by the uncertainty in global economy and financial markets. The current uncertainty and lack of visibility in the financial markets and macroeconomic conditions have in general adversely affected access to financing and increased the cost of capital. Although the Issuer's management believes that the Issuer's capital structure and credit facilities will provide sufficient liquidity to conduct the Issuer's day-to-day business even when there is uncertainty in the global economy and financial markets, there can be no assurance that the Issuer's liquidity and access to financing will not be affected by changes in the financial markets or that its capital resources will, at all times, be sufficient to satisfy its liquidity needs. Europe's ongoing sovereign debt crisis, potential further adverse developments in macroeconomic conditions, and continued uncertainty in the financial markets could adversely affect the Issuer's asset values, future cost of debt and access to bank and capital market financing which may, in turn, have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Negative economic developments and conditions in Europe and Asia may affect Finnair's operations and customers

In particular, the European economies have been adversely affected by the uncertain global economic and financial market conditions. Further, the slowing growth in Asian economies may reduce demand for air travel from Asia to Europe, which could affect the implementation of the Issuer's Asian growth strategy. Economic slowdown or a recession, regardless of its depth, or any other negative economic developments particularly in Europe and Asia may

affect Finnair's business in a number of ways, including among other things, the income, wealth, liquidity, business and/or financial condition of Finnair, its customers and business partners. Further, as a result of a possible weakness in the global economy, Finnair may not be able to utilise the opportunities created by the economic fluctuations and Finnair may not be able to adapt to a long-term economic recession or stagnation. Materialisation of any of the above risks may have a material adverse effect on Finnair's business, financial condition, results of operations and future prospects and, thereby, on Finnair's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Risks Relating to the Airline Industry

Competition in the airline industry is intense

The Issuer operates within a highly competitive industry. The air transport business is sensitive to both cyclical and seasonal changes. Competition in the sector is intense and the market situation is continually changing as new entrants expand, airline companies form marketing or operational alliances and the industry participants consolidate. The balance between the supply and demand can shift to either direction over a short period of time. Network carriers such as the Issuer are exposed to direct competition between individual city pairs as well as indirect competition since passengers can choose from a number of different connecting options, especially in the long-haul markets. As to the Issuer's domestic (Finnish) markets, in addition to the Issuer itself, Finnair's affiliate company Flybe Nordic and Norwegian Air Shuttle ASA are the key operators. Further, European low-fare airlines have expanded their operations into the Issuer's key domestic markets. As to the European short-haul market and medium-haul market, the Issuer competes with a number of traditional flag carriers as well as low-fare and charter airlines, such as Norwegian Air Shuttle ASA, Lufthansa and SAS. As to the long-haul market to Asia, the Issuer mainly competes with a number of traditional flag carriers, such as Lufthansa, Air France-KLM and IAG (British Airways and Iberia), and with a number of Middle Eastern and Asian carriers. Further, the Issuer is active in the air cargo business, which is also characterised by intense competition, both from large, established air cargo companies as well as from smaller providers that operate only a few aircraft and offer a limited range of value-added services.

The industry has suffered from overcapacity especially in the European traffic, and despite various operators' moderate capacity increases in 2012 and 2013, there are no guarantees that the capacity would not increase substantially in future in European or Asian traffic. This would intensify the competition, put pressure on ticket prices and yields and may also result in the Issuer having substantial overcapacity for available seats for either in its short or long-haul traffic for a short or long period of time.

Increasing competition and overcapacity may have a material adverse effect on Finnair's business, financial condition, results of operations and future prospects and, thereby, on Finnair's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

The Issuer is exposed to risks associated with jet fuel price trends and availability of jet fuel

In addition to the scale of business operations, Finnair's result is largely affected by the development of the market price of jet fuel, as fuel costs are the single biggest cost item for the Issuer. In recent years, jet fuel costs have increased and currently represent approximately 28 per cent of the Issuer's turnover. Accordingly, the operating results of the Issuer are significantly affected by changes in the price and availability of jet fuel. Jet fuel prices have historically fluctuated widely, and are expected to continue to do so in the future. The Issuer's jet fuel costs are also subject to certain exchange rate risks as international prices for jet fuel are denominated in U.S. dollars. Jet fuel prices have been at historically high levels since 2010 and have shown particularly marked and sudden increases since 2007, remaining volatile and high by historical standards. The Issuer's ability to pass on the increased costs of fuel to its customers by increasing fares is limited by the competitive nature of the airline industry. Further, although the Issuer hedges a portion of the estimated cost of its future jet fuel needs, the hedging arrangements do not fully protect the Issuer against the effects of jet fuel price increases.

The Issuer is currently able to obtain adequate supplies of jet fuel, but it is impossible to predict its future availability. Weather-related events, natural disasters, political disruptions or wars involving oil-producing countries, changes in governmental policy concerning jet fuel production, transportation or marketing, changes in jet

fuel production capacity, environmental concerns and other unpredictable events may result in unexpected fuel supply shortages and fuel price increases in the future.

Increasing jet fuel costs and disruptions in fuel supplies may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

The airline industry is characterised by low profit margins and high fixed costs

The entire airline industry and scheduled service, in particular, are characterised by low profit margins and high fixed costs. The costs of operating any particular flight do not vary significantly with the number of passengers or cargo carried and, therefore, a relatively small change in the number of passengers, cargo or in fare pricing or traffic mix could lead to a disproportionate fall in profits, as fixed costs generally cannot be reduced on short notice. This condition has been exacerbated by aggressive pricing by low fare airlines, which in turn has had the effect of driving down fares in general. Following the initiation of its first cost-reduction program in August 2011, Finnair has succeeded in reducing its fixed costs through establishing partnerships and by outsourcing its services, such as catering and a part of its aircraft maintenance. However, the Company still needs to improve its cost-efficiency and there can be no certainty whether the additional measures planned to further reduce the cost base will result in targeted reductions in the long term. If the Issuer is not able to reach and maintain sufficient profitability and/or control its fixed costs, this may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Airline operating results are sensitive to economic and geopolitical conditions which can have a significant impact on the demand for air transportation

Airline fares and passenger demand have fluctuated significantly in the past and may fluctuate significantly in the future. The Issuer is not able to predict with certainty market conditions and the fares that it may be able to charge. Customer expectations can change rapidly and the demand for lower fares may limit revenue opportunities. Travel, especially leisure travel, is a discretionary consumer expense. A downturn in economic growth in Finland, Europe or Asia, as well as geopolitical instability in various areas of the world, would have the effect of reducing demand for air travel within Europe and more distant destinations and, together with the other factors discussed herein, could materially adversely impact the Issuer's profitability. In line with its strategy with a special regional focus on Asia, the business operations of the Issuer are increasingly dependent on the economic conditions and demand for air travel to and from Asia. Any prolonged or significant weakness of the world economies may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Inability of the Issuer to acquire and maintain airport slots may have a material adverse effect on the Issuer's business, financial condition or results of operations

Air traffic is limited by the infrastructure of airports and the number of slots available for aircraft arrivals and departures. With the increase of global air traffic, takeoff and landing slots at many airports have become a scarce commodity. For the Issuer it is important to acquire and maintain slots at peak times at Helsinki-Vantaa Airport in order to maintain and develop its network and hub connectivity. Likewise, it is important to secure slots from other key airports in the Issuer's network. The Civil Aviation Authority of each country coordinates the allocation of slots at those of its airports that have capacity restrictions. Slots fall under IATA coordination and supervision is separately performed for summer and winter traffic periods. Once received, the slots remain in the hands of the airline also for future years, under the so-called grandfather rights. Furthermore, the Issuer's plans to open new destinations may be delayed or restricted should it not be able to obtain required slots. Inability to acquire and maintain slots either at Helsinki-Vantaa Airport or at other key airports may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Airlines are subject to traffic charges imposed by sovereign states

The price and availability of over-flight rights as well as the price of traffic charges, such as arrival, departure and navigation charges, impact Finnair's business operations to a considerable extent. Further, these rights and charges are negotiated between sovereign states, which means that their adoption is beyond Finnair's influence. In addition, the availability and price of these rights varies markedly. The Russian accession to the World Trade Organization in 2012 should decrease or even remove the Russian charges for over-flight rights. However, there can be no certainty that this will take place. Increase in the prices of these charges and over-flight rights and/or absence of such rights may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Epidemics and/or pandemics can adversely affect the demand for air travel

Outbreaks of epidemics or pandemics, particularly in the Issuer's Asian destinations, can adversely affect the demand for air travel and have a significant impact on the Issuer's operations. As a result of such outbreaks, the Issuer may have to reduce passenger levels on, and reduce the number of, its flights to some of its destinations. Any such outbreak of a disease that affects travel behaviour may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

The Issuer is exposed to the risk of significant losses from air crashes or other disasters

As all airlines, the Issuer is exposed to potential significant losses in the event that any of its aircraft is lost or subject to an accident, terrorist incident or other disaster, including significant costs related to passenger claims, repairs or replacement of a damaged aircraft and its temporary or permanent loss from service. While the Issuer has not experienced any major accident since its inception, there can be no assurance that it will not be involved in any such event in the future. Moreover, there can be no assurance that the amount of the Issuer's insurance coverage will be adequate in the event such circumstances arise, and any such event could cause a substantial increase in the Issuer's insurance premiums. In addition, any accident involving an Issuer operated aircraft could create a public perception that the Issuer's aircraft are not safe or reliable, which could harm the Issuer's reputation and result in air travellers being reluctant to fly on the Issuer's aircraft and hence harm its business. Materialisation of any of these risks may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

The Issuer is exposed to the risk of significant losses from natural disasters, such as volcanic ash clouds

As all airlines, the Issuer is exposed to potential significant losses in the event of major natural disasters. Nearly all of European air traffic was affected by the ash cloud that followed the volcanic eruption in Iceland in April–May 2010. Around 100,000 flights were cancelled due to flight restrictions over the course of a week. Finnair, too, suffered significant losses due to the traffic chaos. Such unexpected external shocks can rapidly affect the development of air transport demand, as happened also in 2011 when an earthquake and a tsunami struck Japan. Competitiveness in the air transport sector depends on how flexibly the Issuer can react and adapt to surprising events. While the Issuer has plans of action to minimise the operational impacts arising to air transport from various external disruptive factors, such as natural disasters, there can be no assurance that these measures will be adequate in the event such circumstances arise. Hence, occurrence of a natural disaster may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Future terrorist incidents, or the threat of such incidents, could result in a significant reduction in airline passenger travel

Terrorist attacks and terrorist activity cause uncertainty in the minds of the travelling public. The threat or occurrence of a major terrorist attack could have a material adverse effect on passenger demand for air travel. The Issuer believes that its operations are safe and secure, but security measures have in the past, and have the potential

in the future, to disrupt its business on temporary or long-term grounds. Any future security-related costs or complications may disrupt the Issuer's business and affect passengers' propensity to travel and, by reducing demand for the Issuer's services, have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Airline insurance may become too difficult or expensive to obtain which could expose the Issuer to substantial loss and may force it to cease operations

The Issuer carries insurance for public liability, passenger liability, property damage and all-risk coverage for damage to the Issuer's aircraft. However, there are limitations or exclusions of certain risks in the coverage of insurances, such as risks of war and risks involving weapons of mass destruction. If insurers or re-insurers exclude coverage for these or any other risks or such coverage is not available on commercially reasonable terms then, if insurance cover is not available from another source (for example, a government entity), the Issuer may not be able to insure those risks and would not be able to carry on its air transportation business and would ultimately be forced to cease its operations. Materialisation of any of such risks may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Risks Relating to the Business of the Issuer

The Issuer's business operations and its growth strategy are dependent on the ability of Helsinki-Vantaa Airport to meet the increasing air traffic to the airport

The Issuer's home airport is at Helsinki-Vantaa and any matters adversely affecting Helsinki-Vantaa Airport may adversely affect the business, financial condition or results of operations of the Issuer. In order to effectively implement the Issuer's growth strategy, the Issuer is dependent on Helsinki-Vantaa Airport continuing to offer adequate capacity, cost-efficient services, and high-quality service to support the Issuer's strategy. An adequate gate capacity is of essence for the Issuer's business. While the Issuer estimates that the gate and baggage handling capacity at the Helsinki-Vantaa Airport are adequate at the moment, there can be no assurance that increased air traffic would not result in severe congestion and delays. This would constitute a considerable risk for the feeder traffic, which is critical to the Issuer. Furthermore, the limiting impact of noise and time restrictions imposed by legislation must also be taken into account. In relation to Asian traffic, the transfer of passengers and goods from one flight to another at Helsinki-Vantaa Airport is increasing and, in the short-term, this could lead to delays due to the airport's space restrictions and increased security measures.

Materialisation of any of the above risks may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

The Issuer's business, financial condition and results of operations will be affected by the results of its Asia strategy

The core of the Issuer's strategy is to leverage on the geographic location of its operational hub at Helsinki-Vantaa Airport offering the shortest flight route between Europe and Asia and to increase its capacity in Europe and Asia to capture the increasing demand for air travel to and from Asia. In recent years, the importance of the Issuer's Asia strategy has steadily increased, and for the six months ended 30 June 2013, approximately 40 per cent of the Issuer's passenger revenue was derived from Asia (point of sales in Asia). Inasmuch as the future growth of the Issuer's core business, international scheduled passenger traffic, is based on its ability to implement its Asia strategy successfully, the Issuer's investments are focused on ensuring the growth in Asian traffic. Fleet acquisitions planned in the coming years are aimed at improving competitiveness especially in the long-haul traffic to and from Asia. However, the Issuer cannot ascertain that it has the financial resources to make these investments as planned, that there will not be any delays in deliveries by aircraft manufacturers and, when made, that these investments would allow the Issuer to grow its traffic to and from Asia as planned.

If changes were to occur in consumer preferences, perceptions, spending patterns or demographic trends as regards travelling to and from its destinations in Asia, these could also affect the Issuer's business and the success of its

strategy substantially. In addition, the Issuer could, as regards the Asian market, be affected by a number of factors outside of the Issuer's control, such as reversals or delays in the opening of foreign markets, exchange controls, currency and political risks, taxation and changes in international government regulation of the Issuer's operations, including the inability to obtain or retain needed route authorities and/or slots.

Materialisation of any of the above risks may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

The Issuer may not be successful in its ongoing strategic initiatives to improve productivity and reduce operating costs

By the end of June 2013, Finnair had achieved the cost-reduction target of 140 million euros set for structural change and cost-reduction program commenced in August 2011. In spite of reaching its cost reduction target, Finnair continues to pursue further savings in all of the first cost reduction program's cost categories. This is essential for improving the Company's competitiveness, as high fuel prices, cost reduction measures taken by competitors, intensified competition and fleet investments in the coming years require a substantial improvement in profitability. The long-term return objective set for the Company by Finnair's Board of Directors is an operational profit margin of six per cent.

The emphasis in pursuing further cost savings is on personnel and maintenance costs, in which progress has lagged behind the original targets. The aim of the supplementary cost-reduction program commenced in October 2012 is to reduce the cost level permanently by an additional 60 million euros by the end of 2014. As part of the supplementary program, Finnair is aiming to achieve substantial savings in personnel costs. The objective is to achieve the level of market wages and labour costs in the industry, primarily by implementing changes to wage structures and working hours.

The adequacy and ultimate success of the Issuer's initiatives to control costs and improve productivity are not known at this time and cannot be assured. Moreover, whether these initiatives will be adequate or successful depends in large part on factors beyond the Issuer's control, notably the overall industry environment, including passenger demand, unit revenues and industry capacity growth and jet-fuel prices as well as regulatory measures. Failure to successfully implement these initiatives may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

The Issuer's employees may engage in strikes and other work-related disruptions

The Issuer's business is labour intensive, employing large numbers of pilots, flight attendants and other personnel. Most of the Issuer's staff are unionised, and any prolonged strikes or labour disputes of its employees may affect the Issuer's ability to conduct business. The long-term effect of strikes is substantial as approximately 20,000 to 30,000 passengers fly daily with the Issuer's flights.

There can be no assurance that the Issuer's agreements with labour unions can be negotiated to the long-term benefit of the Company. If the Issuer or its affiliates are unable to reach an agreement with any of their unionised work groups in future negotiations regarding the terms of their collective bargaining agreements or if additional segments of the Issuer's workforce become unionised, they may be subject to work interruptions or stoppages. Likewise, if third party regional carriers with whom the Issuer has contract carrier agreements are unable to reach agreement with their unionised work groups in current or future negotiations regarding the terms of their collective bargaining agreements, those carriers may be subject to work interruptions or stoppages affecting the Issuer. Further, there can be no assurance that future agreements with employees' unions or the outcome of wage reopener negotiations, mediations or arbitrations will be on terms consistent with the Issuer's expectations or comparable to agreements entered into by other airlines. Any future agreements or outcome of negotiations, mediations or arbitrations in relation to wage reopeners may result in increased personnel costs or other charges that could increase the Issuer's operating costs to the effect that it is not able to compete with some other airlines that have more flexible personnel cost structures than that of the Issuer.

Materialisation of any of the above risks may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

The Issuer is dependent on attracting and retaining qualified airline personnel at reasonable cost

The Issuer is dependent on qualified airline personnel, in particular pilots, cabin crew and employees with qualifications in aircraft maintenance, information technology and sales. The implementation of the Issuer's growth strategy will require hiring of new personnel and there cannot be assurance that the Issuer will be able to retain employees in key positions or recruit sufficient number of new employees with appropriate technical qualifications at reasonable cost which enable the Issuer to remain competitive. Materialisation of any of the above risks may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

A delay or failure in the completion of the Issuer's fleet renewal may have a material adverse effect on the Issuer

A key component of the Issuer's business plan is the timely renewal of its fleet by phasing out the oldest aircraft types and by acquiring new aircraft in a timely manner to ensure the successful and cost-efficient implementation of its growth strategy. Newer aircraft typically have higher ownership costs than the old one, whereas their maintenance costs and fuel-burn, especially in the new generation aircraft, tend to be lower. Finnair has binding orders for 11 A350 aircraft from Airbus and expects, at the time of this Listing Prospectus, the deliveries to begin in H2 2015. The postponement of deliveries by Airbus or any other failure in the completion of the Issuer's fleet renewal, regarding the Airbus or any other aircraft, or an inability to remove, as planned, certain aircraft from the fleet in coordination with the planned entry into service of new aircraft, could adversely affect the implementation of the Issuer's business plan which may, in turn, have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes. Finnair is evaluating alternatives to minimise the effects that possible delays in deliveries may have.

The Issuer's dependence on Airbus as manufacturer will increase in the future and any problems associated with Airbus aircraft may have a material adverse effect on the Issuer

After the contemplated fleet restructuring, the Issuer's dependence on Airbus aircraft, especially for its long-haul fleet, makes it particularly vulnerable to any problems that might be associated with the aircraft or its manufacturer. The Issuer could be adversely affected if a design defect or mechanical problem with any of its Airbus aircraft families or any other type of aircraft which the Issuer subsequently acquires were discovered, causing its aircraft to be grounded while any such defect or problem was corrected, or attempts were made to correct it. Similarly, if a manufacturer experiences financial difficulties, goes out of business or defaults on its obligations to the Issuer, this could have adverse consequences for the Issuer. Further, the Issuer could also be adversely affected if its customers were to avoid flying with the Issuer due to an adverse public perception of the Airbus aircraft caused by safety concerns or other problems, whether real or perceived. Materialisation of any of the above risks may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

The Issuer has substantial future financing needs and is exposed to risks related to its continuing financing needs

The Issuer's firm orders for aircraft totalled approximately EUR 1.2 billion as at 30 June 2013. The Issuer may, based on options or otherwise, order additional aircraft in the future, which could substantially increase its financing needs. The Issuer is currently planning to finance its new aircraft acquisitions with cash flows from operations, debt financing and sale and leaseback arrangements for the acquisition of new aircraft and, to a lesser extent, proceeds from the sale of existing aircraft. There can be no assurance that the Issuer will continue to be able to obtain, on a timely basis, sufficient funds on terms acceptable to the Issuer to provide adequate liquidity and to finance the operating and capital expenditures necessary to support its business strategy in case cash flows from operations and cash on hand are insufficient. Failure to generate additional funds, whether from operations or additional debt or equity financings, may require the Issuer to delay or abandon some or all of its anticipated expenditures or to modify

its business strategy. Further, the ability of competitors to raise money more easily and on more favourable terms could create a competitive disadvantage for the Issuer. Materialisation of any of the above risks may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

The amount of indebtedness that the Issuer currently has and which it may incur in the future could have a material adverse effect on the Issuer

The Issuer has, and will continue to have, a significant amount of indebtedness, including substantial fixed obligations under aircraft leases and financings. As at 30 June 2013, the Issuer's gearing adjusted for leasing liabilities was 70.4 per cent. In addition to internal financing, the ongoing fleet renewal programme is expected to require additional external financing as discussed above under "*The Issuer has substantial future financing needs and is exposed to risks related to its continuing financing needs*". The ability of the Issuer to make scheduled payments under its indebtedness will depend on, among other things, its future operating performance and its ability to refinance its indebtedness, if necessary. Each of these factors is, to a large extent, subject to economic, financial, competitive, regulatory, operational and other factors, many of which are beyond the Issuer's control. There can be no assurance that the Issuer will be able to generate sufficient cash from its operations to pay its debts and lease obligations in the future.

The Issuer's current financing arrangements do not contain any customary, restrictive covenants, but the Issuer's EUR 180 million revolving credit facility, which is unutilised, requires the Issuer to procure that the adjusted gearing ratio shall not at any time be equal to or greater than 175 per cent. The credit facility will mature in July 2016. The Issuer's future borrowings and financing arrangements may be subject to covenants which limit the Issuer's operating and financial flexibility.

Materialisation of any of the above risks may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Currency fluctuations may affect the Issuer's financial condition or results of operations

Fluctuations in exchange rates, particularly between the euro and the U.S. dollar and between the euro and Japanese yen, may have a material adverse effect on the Issuer. The Issuer's foreign exchange risk arises mainly from fuel and aircraft purchases and aircraft leasing payments. Significant U.S. dollar-denominated expense items are aircraft leasing payments and fuel costs. The largest investments, the acquisition of aircraft and their spare parts, are also mainly made in U.S. dollars. Fuel costs, aircraft leasing costs and purchases of spare parts are dollar-denominated, whereas the yen is an important income currency in Finnair's Japanese operations. Although the Issuer attempts to manage uncertainty arising from exchange rate fluctuations by foreign exchange hedging, there can be no assurance that, at any given time, that the Issuer will have derivatives in place to provide any particular level of protection against foreign exchange losses. Materialisation of any of the above risks may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

The market price of derivatives may involve risks

The Issuer hedges its commodity, currency and interest rate risks with financial derivatives. The aim of the hedging is to mitigate the volatility of the operational profit caused by the market price risks. In normal market conditions, the target of the hedging strategy is typically achieved. However, in certain circumstances, as prevailed for instance in 2008 and 2009 after the default of Lehman Brothers, the market price of the derivatives may decrease substantially and the Issuer may suffer substantial hedging losses. The most important hedging losses usually result from a sudden material decrease in the market price for jet fuel or the exchange rate of the US dollar or the Japanese yen against Euro. Incurrence of hedging losses may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

The Issuer is exposed to interest rate risk on its variable rate borrowing and aircraft leases

The Issuer is subject to the effects of interest rate fluctuations on its floating rate financing arrangements and aircraft leases. As a result of these variable rate borrowings, an increase in interest rates would cause an increase in the amount of the Issuer's interest payments and could have a material adverse effect on the Issuer. The payments the Issuer is required to make pursuant to its aircraft leases for aircraft that have not yet been delivered to it may be subject to interest rate fluctuations. When the Issuer agrees to lease a new aircraft, the monthly lease payments to be made by it upon delivery of the aircraft are typically subject to adjustments based on interest rate fluctuations during the period between the signing of the lease and the delivery date of the aircraft. Materialisation of the interest rate risk may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

The Issuer is exposed to the residual value risk and also to the impairment of the aircraft during the ownership period

When acquiring an aircraft, the Issuer enters into an agreement with the manufacturer to purchase the aircraft. The decision whether to own or sell and leaseback the aircraft is taken later, typically prior to the planned delivery of the aircraft. The Issuer is therefore exposed to fluctuations in the second-hand aircraft market. If the Issuer decides to own the aircraft, fluctuations in the value of the aircraft will have an impact on the Issuer's financial condition and results of operations should the value of the aircraft be impaired. A decrease in the second-hand prices or a delay in making sales of second-hand aircraft may involve risks for the Issuer, especially to the extent that the Issuer wishes or needs to rely on the sales proceeds of replaced aircraft to discharge debts relating to the financing of such aircraft. On the other hand, if the Issuer finances the purchased aircraft through a sale and leaseback financing arrangement, the Issuer realises the market value of the aircraft at the time of the transaction and any future changes in aircraft value will not have an impact on the payments under the lease arrangement. Currency fluctuations and negative development in the general market conditions may also decrease the market value of the Issuer's fleet.

Materialisation of any of the above risks may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

The Issuer is dependent on uninterrupted operation of technology and IT systems

The Issuer has become increasingly dependent on technology initiatives to reduce costs and to enhance customer service in order to compete in the current business environment. It depends on automated information systems and technology, including its computerised airline reservation system, its flight operations system, its website, its telecommunication systems and other automated systems. Thus, the performance and the reliability of technology are critical to the Issuer's ability to attract and retain customers and for the Issuer's ability to compete effectively. These initiatives will continue to have a direct impact on information technology and data security costs and, in addition, the development of the information system solutions and the information technology environment requires continuous investments.

In addition, any internal technology error or failure or large scale external interruption in technology infrastructure the Issuer depends on, such as power, telecommunications or the internet, may disrupt its technology network. Any individual, sustained or repeated failure of technology could impact the Issuer's customer service and result in increased costs. Like all companies, the Issuer's technology systems and related data may be vulnerable to a variety of sources of interruption due to events beyond its control, including natural disasters, terrorist attacks, telecommunications failures, computer viruses, hackers and other security issues. Although the Issuer is continually developing its information security and situation-management preparedness for serious disruptions to information systems and telecommunications, these measures may not be adequate or implemented properly to prevent a business disruption.

Materialisation of any of the above risks may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

The Issuer is exposed to information security risks

The Issuer has been increasing its ticket sales over the internet during recent years. A fundamental requirement for online commerce, including sales of tickets online, is the secure transmission of confidential information. The Issuer may incur significant costs to protect against the threat of security breaches or to alleviate problems caused by any such breaches. Alleviating these problems could cause interruptions, delays or cessations in service to the Issuer's customers, which could adversely affect the Issuer's reputation and deter its customers from using its service or lead them to assert claims against the Issuer. As part of its operations, the Issuer retains personal information received from customers, which is subject to certain regulatory data privacy protections in Finland and elsewhere. Personal information held offline and online is highly sensitive. If such personal information were made available to third parties in violation of the applicable laws or if a third party were to misappropriate such information, the reputation of the Issuer could be harmed, it could become the subject of regulatory action, proceeding and/or fines, customers could bring legal claims against the Issuer and certain countries could cancel the Issuers' flight permits. In addition, the Issuer may be liable for credit card companies should any credit card information be accessed and misused as a result of security breaches by the Issuer. Materialisation of any of the above risks may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

The Issuer relies on partners and third parties to provide it with services and facilities that are integral to its business

As at the date of this Listing Prospectus, Finnair has partnerships with Flybe Finland Oy, LSG Sky Chefs and SR Technics, among others. Flybe Finland Oy operates 12 E190 aircraft under a contract flying arrangement on behalf of Finnair, and in addition 12 ATR 72 turboprops partly under a contract flying agreement and partly as a separate commercial operation. While this cooperation is not expected to have an impact on Finnair's revenues or balance sheet, Finnair is looking for significant cost savings in its feeder traffic through the partnership. However, there can be no certainty that the cost savings will realise as expected or that Finnair achieves the expected strategic benefits from this or any other partnership.

Furthermore, the Issuer's business is dependent upon its ability to secure goods and services from a number of suppliers. The Issuer has entered into agreements with third-party suppliers to provide for services such as catering, ground handling, aircraft maintenance, passenger handling, aircraft handling, baggage service and ticket counter space, and also relies on services rendered by air traffic control providers. An interruption in the provision of goods or services from any of these suppliers or any inability to renew these agreements or renegotiate contracts with other providers at comparable prices could have a material adverse effect on the Issuer. Such interruptions may arise as a result of a wide range of causes, many of which are beyond the Issuer's control. Similarly, the efficiency, timeliness and quality of contract performance by third-party providers are largely beyond the Issuer's direct control and, if these are inadequate, the reputation and performance of the Issuer could be adversely affected. Further, the Issuer has to enter into airport service agreements in the markets it operates in, and there can be no assurance that it will be able to renew its existing agreements or to enter into new agreements for new destinations to obtain the necessary facilities and services at competitive rates and required quality levels. If the Issuer is not able to do so, it may not be able to operate profitably in those markets.

Materialisation of any of the above risks may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Some of the Issuer's current or future routes may not become profitable

Some of the routes the Issuer currently services are unprofitable on a stand-alone basis without taking into account network contributions, and such routes may never become profitable. An improvement in the profitability of the loss-making routes depends on the Issuer's success in correctly assessing demand, capacity and fares as well as reducing its operating costs. In addition, the profitability of a profit-making route may decrease, and the level of network contributions granted to a route may be decreased or cancelled. As a network carrier, the profitability of a route on a stand-alone basis is not the sole measure when assessing continuity of a route. Among other factors, the importance of the route to the rest of the network is taken into account and, instead of discontinuing certain routes, the Issuer may take other measures to improve the performance on the route.

Further, the Issuer may include new routes into its flight network. When the Issuer begins service on a new route, its load factors initially tend to be lower than those on its established routes, and its advertising and other promotional costs tend to be higher. As a result, new routes may require a substantial amount of cash to fund and usually result in initial losses. Customers may also make less use of new routes or additional capacity on existing routes than the Issuer may have expected. In addition, new routes may experience more competition than the current ones, or competition may exceed the Issuer's expectations in other ways.

Materialisation of any of the above risks may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Any adverse developments affecting the Issuer's strategic alliances and cooperation arrangements with partner airlines may have a material adverse effect on the Issuer

The strategic and commercial arrangements with oneworld™ alliance members provide the Issuer important benefits, including codesharing, efficient connections and transfers, reciprocal participation in frequent flyer programmes and use of airport lounges of the other members. Therefore, any adverse developments affecting the oneworld™ alliance may have a material adverse effect on the Issuer. Such adverse developments may include one or more member airlines terminating their membership in favour of another alliance or them being suspended as a result of insolvency or for other reason. In addition, the Issuer terminating its current membership in the oneworld™ alliance without being able to join another competitive strategic alliance or other cooperation arrangements with suitable partners could have a material adverse effect on the business prospects and results of operations of the Issuer.

Materialisation of any of the above risks may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Any deterioration in brand image or consumer confidence in the Finnair brand may adversely affect the Issuer's ability to market its services and attract and retain customers

As part of its overall business model, the Issuer relies on positive brand recognition, among other factors, to attract customers. Any deterioration in brand image or consumer confidence in its brand might adversely affect the Issuer's ability to market its services and attract and retain customers which in turn may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

The Issuer may, from time to time, be involved in litigation and arbitration proceedings, which, if an unfavourable judgment against the Issuer is made, may have a material adverse effect on the Issuer

The Issuer may, from time to time, be involved in litigation and arbitration proceedings. There can be no assurance as to the outcome of these proceedings. If an unfavourable judgment against the Issuer would be made in either of these claims, it may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Regulatory Risks

The EU Court ruling on compensations for delayed flights may result in additional costs for the Issuer

The Court of Justice of the EU confirmed in October 2012 its previous ruling from 2009 that passengers whose flights have been delayed for at least three hours may be entitled to standardised compensation, unless the long delay is caused by extraordinary circumstances. The ruling may increase the compensations payable to passengers and thereby incur additional costs for the Issuer. Further, this could have an adverse effect on the Issuer's business,

financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

The adoption of new national, regional and international regulations or revisions to existing regulations may have a material adverse effect on the Issuer

The airline industry is subject to national, regional and international regulations, relating to, among other things, security, safety, licensing, competition, noise levels and the environment. Additional laws and regulations may be proposed from time to time which could impose additional requirements or restrictions on airline operations. The Issuer cannot give any assurances that new regulations or revisions to the existing regulation will not be adopted. The adoption of such new laws and regulations or revisions may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Airlines may be adversely affected by any future application of restrictions in regard to noise pollution, greenhouse gas emissions and other environmental laws and regulations

Airlines can have their activities restricted on account of noise control regulations. Noise control regulations typically concentrate on the level of noise and its impact on environment, especially in areas close to airports. Permits may, for example, include restrictions on night flights to meet the imposed noise level requirements. Any such restrictions on night flights would affect the Issuer's scheduling and operations at Helsinki-Vantaa as the Issuer currently has many flights landing and taking-off between those hours.

Although environmental liability issues (such as soil contamination liabilities) are mostly covered by the airports, their permits and management systems, the risk for direct or indirect environmental liabilities cannot be totally excluded and additional costs may occur through selection of less hazardous fuels and chemicals.

The European Union joined air traffic as part of the Emissions Trading Scheme (ETS) at the beginning of 2012. The EU ETS has met with a lot of opposition, in particular from countries outside the EU, as a result of which the International Civil Aviation Organization (ICAO) is preparing an alternative proposal with regard to international emissions trading for air traffic and the EU ETS was changed to include only the intra-European flights during 2012. ICAO intends to submit its proposal at the ICAO Assembly to be held in September 2013. The additional cost directly incurred by Finnair due to emissions trading is difficult to estimate due to the potential regulation changes after the ICAO Assembly. The additional cost for the year 2012 was approximately EUR 1.5 million.

Materialisation of any of the above risks may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Changes in the existing bilateral agreements or the trade relationship between European Union and Russia and other non-EU countries may have a material adverse effect on the business, financial condition or results of operations of the Issuer

The EU Regulation on the negotiation and implementation of air service agreements between European Union member states and third countries (847/2004) lays down a set of principles designed to ensure an adequate exchange of information within the EU, so that EU member states, in their bilateral relations with third countries in the area of air service, do not risk infringing EU law. EU member states may also delegate their powers to the Commission to negotiate agreements with third countries on behalf of all the EU member states. Based on such delegated powers, at the end of November 2006, the EU and Russia succeeded in negotiating an agreement to discontinue gradually, from 2010 to 2013, the charging of royalty fees for traffic over flying Russia and, at no later than 31 December 2013, all royalty payments will be abolished and airlines will have to pay only air navigation charges. The agreement has been ratified by the EU countries, but not yet by Russia. Currently, the Issuer pays Russia a fee for flights that fly over Russia on its Japanese, Chinese, Korean and Vietnamese routes under a bilateral agreement. However, there can be no certainty that such royalty fees will be discontinued within the indicated timeframe, if at all. In addition, any disagreements in the trade relationship between the European Union and Russia may lead to Russia to continue charging existing royalty fees or impose new fees or otherwise limit traffic over Russia. Any such developments

would have a material adverse affect on the business, financial condition or results of operations of the Issuer as flight routes over Russia are crucial for the Issuer's competitiveness. In addition, there are no guarantees that there will be no changes in the existing bilateral agreements with other non-EU countries than Russia, which could have a material adverse affect on the business, financial condition or results of operations of the Issuer.

Abolition of existing tax exemptions for jet fuel would lead to a substantial increase in the Issuer's jet fuel costs

Over the past few years, there have been discussions at the European Union level and within European Union member states about whether existing tax exemptions for jet fuel should be reviewed. The European Commission published a White Book in 2001 covering fair and efficient price setting in the transportation sector, which proposed a review of the current tax exemptions. There can be no assurance that the current tax exemptions for the jet fuel will not be repealed. The elimination of these exemptions would lead to a substantial increase in the Issuer's jet fuel costs.

RISKS RELATING TO THE SECURITIES

Risks Relating to the Notes

The following risk factors are, among other things, material in order to assess the risks associated with the Notes. Words and expressions in this section shall have the meaning defined in Annex A "*Terms and Conditions of the Notes*".

The Notes may not be a suitable investment for all investors

The Notes may not be a suitable investment for all investors. Thus, each potential investor in the Notes must assess the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or referred to in this Listing Prospectus;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes; and
- (iv) be able to evaluate either alone or with the help of a financial adviser possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risk.

Possibility to forfeit interest and principal amount invested

Should the Issuer become insolvent during the term of the Notes, an investor may forfeit interest payable on, and the principal amount of, the Notes in whole or in part. An investor is always solely responsible for the economic consequences of his/her investment decisions.

No guarantee or security

The Notes will not be obligations of anyone other than the Issuer and they will not be guaranteed. No one other than the Issuer will accept any liability whatsoever in respect of any failure by the Issuer to pay any amount due under the Notes.

The Notes are unsecured debt instruments and the holders of the Notes (the "**Noteholders**") would be unsecured creditors in the event of the Issuer's bankruptcy. Accordingly, in addition to that any adverse change in the financial condition or prospects of the Issuer may have a material adverse effect on the liquidity of the Notes, and may result in a material decline in their market price, such adverse change may endanger the probability that the Noteholders will receive the prompt and full payment, when due, for principal, interest and/or any other amounts and items payable to the Noteholders pursuant to the Notes from time to time.

Active trading market for the Notes may not develop

The Notes constitute a new issue of securities by Finnair. Prior to the Listing, there is no public market for the Notes. Although application has been made to list the Notes on the Helsinki Stock Exchange, no assurance can be given that such application will be approved. In addition, listing of the Notes will not guarantee that a liquid public market for the Notes will develop and even if such a market were to develop neither the Issuer nor the Lead Managers are under any obligation to maintain such market. The liquidity and the market prices of the Notes can be expected to vary with changes in market and economic conditions, the financial condition and prospects of the Issuer as well as many other factors that generally influence the market prices of securities. Such factors may significantly affect the liquidity and the market prices of the Notes, which may trade at a discount to the price at which the Noteholders purchased the Notes.

There can be no assurance that an active trading market for the Notes will develop, or, if one does, that it will be maintained. If an active trading market for the Notes does not develop or is not maintained, it may result in a material decline in the market price of the Notes, and the liquidity of the Notes may be adversely affected. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Further, if additional and competing products are introduced in the markets, this may also result in a material decline in the market price and value of the Notes.

Since the Notes bear a fixed interest rate, their price may fall as a result of changes in the interest rates

The Notes bear interest on their outstanding principal at a fixed interest rate. A holder of a security with a fixed interest rate is exposed to the risk that the price of such security could fall as a result of changes in the market interest rate. Market interest rates follow the changes in general economic conditions, and are affected by, among many other things, demand and supply for money, liquidity, inflation rate, economic growth, central banks' benchmark rates, implied future rates, and changes and expectations related thereto.

While the nominal compensation rate of a security with a fixed interest rate is fixed during the term of such security or during a certain period of time, current interest rates on capital markets (market interest rates) typically change continuously. In case market interest rates increase, the market price of such a security typically falls, until the yield of such security is approximately equal to the market interest rates. If market interest rates fall, the price of a security with a fixed interest rate typically increases, until the yield of such a security is approximately equal to market interest rates. Consequently, the Noteholders should be aware that movements of market interest rates may result in a material decline in the market price of the Notes and can lead to losses for the Noteholders if they sell the Notes. Further, the past performance of the Notes is not an indication of their future performance.

Absence of rating

Neither the Issuer nor the Notes are rated by any rating agency.

The completion of transactions relating to the Notes is dependent on Euroclear Finland Ltd.'s operations and systems

The Notes are issued in the book-entry securities system of Euroclear Finland Ltd ("Euroclear Finland"). Pursuant to the Act on the Book-Entry System and Clearing and Settlement (749/2012, as amended), the Notes will not be evidenced by any physical note or document of title other than statements of account made by Euroclear Finland or its account operator. The Notes are dematerialised securities and title to the Notes is recorded and transfers of the Notes are effected only through the relevant entries in the book-entry system and registers maintained by Euroclear Finland and its account operators. Therefore, timely and successful completion of transactions relating to the Notes, including but not limited to transfers of, and payments made under, the Notes, depend on the book-entry securities system being operational and that the relevant parties, including but not limited to the payment transfer bank and the account operators of the Noteholders, are functioning when transactions are executed. During the term-to-maturity of the Notes, Euroclear Finland's systems to process the Notes are likely to be changed materially due to the introduction of the Target 2 securities platform of the European System of Central Banks. Any malfunction or delay

in the book-entry securities system or any failure by any relevant party may result in the transaction involving the Notes not taking place as expected or being delayed, which may cause financial losses or damage to the Noteholders whose rights depended on the timely and successful completion of the transaction.

The Company or any other third party will not assume any responsibility for the timely and full functionality of the book-entry securities system. Payments under the Notes will be made in accordance with the laws governing the book-entry securities system, the rules of Euroclear Finland and the Terms and Conditions of the Notes. For purposes of payments under the Notes, it is the responsibility of each Noteholder to maintain with its respective book-entry account operator up to date information on applicable bank accounts.

No assurance as to the impact of change of laws or practices

The Notes are governed by the laws of Finland, as in force from time to time. Finnish laws (including but not limited to tax laws) and regulations governing the Notes may change during the validity of the Notes, and new judicial decisions can be given and administrative practices take place. No assurance can be given as to the impact of any such possible change of laws or regulations, or new judicial decision or administrative practice taking place after the date of this Listing Prospectus. Hence, if materialised, such event may have a material adverse effect on Finnair's business, financial condition, results of operations and future prospects and, thereby, Finnair's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes. Such event may also cause material financial losses or damage to the Noteholders.

The Notes do not, as a rule, contain covenants governing the Issuer's operations and do not limit its ability to merge, effect asset sales (other than in relation to the long-haul Asian traffic) or otherwise effect significant transactions that may have a material adverse effect on the Notes and the Noteholders

As a rule, the Notes do not contain provisions designed to protect Noteholders from a reduction in the creditworthiness of the Issuer. In particular, the Terms and Conditions of the Notes do not, except for the conditions relating to Change of Control, Demerger and disposal or cessation of all or a material part of the long-haul Asian traffic (see Condition 8 of the Terms and Conditions of the Notes) which grant the Noteholders the right of repayment of the Notes in certain limited circumstances, restrict the Issuer's ability to enter into a merger, asset sale (other than in relation to the long-haul Asian traffic) or other significant transaction that could materially alter its existence, jurisdiction of organisation or regulatory regime and/or its composition and business. In the event the Issuer was to enter into such a transaction, Noteholders could be materially and adversely affected. Furthermore, the Change of Control condition does not restrict any of the current shareholders of the Issuer from disposing any or all of their shareholdings and the Demerger condition does not restrict the Issuer to enter into a demerger as such.

The Issuer using its right to redeem and purchase the Notes prior to maturity may have a material adverse effect on the Issuer and on any Notes outstanding

As specified in the terms and conditions of the Notes, the Noteholders are entitled to demand premature repayment of the Notes in the case of an Event of Default, Demerger, disposal or cessation of all or a material part of the long-haul Asian traffic or a Change of Control. Such premature repayment may have a material adverse effect on Finnair's business, financial condition, results of operations and future prospects and, thereby, on Finnair's ability to fulfil its obligations under the Notes of such Noteholders who elect not to exercise their right to get their Notes prematurely repaid as well as the market price and value of such Notes.

In addition, as specified in the Terms and Conditions of the Notes, Finnair may at any time purchase Notes in any manner and at any price prior to maturity. Only if such purchases are made by tender, such tender must be available to all Noteholders alike. Finnair is entitled to cancel, dispose of or hold the purchased Notes at its discretion. Consequently, a Noteholder offering Notes to Finnair in connection with such purchases may not receive the full invested amount. Furthermore, a Noteholder may not have the possibility to participate in such purchases. The purchases – whether by tender or otherwise – may have a material adverse effect on such Noteholders who do not participate in the purchases as well as the market price and value of such Notes.

Amendments to the Notes bind all Noteholders

The Terms and Conditions of the Notes may be amended in certain circumstances, with the required consent of a defined majority of the Noteholders. The Terms and Conditions of the Notes contain provisions for Noteholders to call and attend meetings to consider and vote upon matters affecting their interests generally. Resolutions passed at such meetings can bind all Noteholders, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. This may incur financial losses, among other things, to all Noteholders, including such Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The right to payment under the Notes may become void due to prescription

In case any payment under the Notes has not been claimed within three (3) years from the original due date thereof, the right to such payment shall become void. Such prescription may incur financial losses to such Noteholders who have not claimed payment under the Notes within the prescription time of three (3) years.

No voting rights

The Notes carry no voting rights with respect to shareholders meetings of the Issuer. Consequently, the Noteholders cannot influence any decisions by the Issuer's shareholders concerning, for instance, the capital structure of the Issuer.

No limitation on issuing additional debt

Except for the limitation to secured indebtedness and to issuance, by Finnair or its subsidiaries, of collateralised notes or bonds, debentures, debenture stock or loan stock issued after the issuance of the Notes that are capable of being listed on a stock exchange or subject to trading in a regulated market as provided in the Terms and Conditions of the Notes, there is no restriction on the amount of debt which the Issuer may raise or issue after the issuing of the Notes. Such further debt may reduce the amount recoverable by the Noteholders upon winding-up or insolvency of the Issuer, or may worsen the position and priority of the Noteholders in such winding-up or insolvency procedure.

CERTAIN INFORMATION

Responsibility Statement

Finnair accepts responsibility for the completeness and accuracy of the information contained in this Listing Prospectus. To the best knowledge of Finnair, having taken all reasonable care to ensure that such is the case, the information contained in this Listing Prospectus is in accordance with the facts and contains no omission likely to affect its import.

Auditors

The consolidated financial statements of Finnair for the financial year ended 31 December 2011 incorporated in this Listing Prospectus by reference have been audited by PricewaterhouseCoopers Ltd, with Authorised Public Accountant Eero Suomela as responsible auditor. The consolidated financial statements of Finnair for the financial year ended 31 December 2012 incorporated in this Listing Prospectus by reference have been audited by PricewaterhouseCoopers Ltd, with Authorised Public Accountant Mikko Nieminen as responsible auditor.

The Annual General Meeting of the Company held on 27 March 2013 re-elected as its auditor PricewaterhouseCoopers Ltd, with Authorised Public Accountant Mikko Nieminen as responsible auditor. The business address of the auditor is Itämerentori 2, FI-00180 Helsinki, Finland.

Special Cautionary Notice Regarding Forward Looking Statements

Certain statements in this Listing Prospectus, including but not limited to certain statements set forth under the captions “*Risk Factors*”, “*Information about the Issuer*” and “*Financial and Trend Information, Future Outlook*”, are based on the beliefs of Finnair’s management as well as assumptions made by and information currently available to it, and such statements may constitute forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of Finnair, or industry results, to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Such risks, uncertainties and other important factors include, among other things, the risks described in the section “*Risk Factors*”. The forward-looking statements are not guarantees of the future operational or financial performance of Finnair. In addition to factors that may be described elsewhere in the Listing Prospectus, the factors discussed under “*Risk Factors*” could cause Finnair’s actual results of operations or its financial condition to differ materially from those expressed in any forward-looking statement. Should one or more of these risks or uncertainties materialise, or should any underlying assumptions prove to be incorrect, Finnair’s actual results of operations, its financial condition or its ability to fulfil its obligations under the Notes could differ materially from those described herein as anticipated, believed, estimated or expected. Finnair does not intend and does not assume any obligation to update any forward-looking statements contained herein unless required by applicable legislation. For additional information that could affect the results, performance or achievements of Finnair, see “*Risk Factors*”.

Market and Industry Information

This Listing Prospectus contains information about Finnair’s markets and Finnair’s competitive position therein. Where certain market data and market estimates contained in this Listing Prospectus have been derived from third party sources, such as industry publications, the name of the source is given therein. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable, but the correctness and completeness of such information is not guaranteed. Information compiled and published by Airbus has been referred to in this Listing Prospectus under “*Financial and Trend Information, Future Outlook – Trend Information*”. Finnair confirms that this information has been accurately reproduced and that, as far as Finnair is aware and is able to ascertain from information published by such third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. However, Finnair or the Lead Managers have not independently verified, and cannot give any assurances as to the appropriateness of, such information. Should this Listing Prospectus contain market data or market estimates in connection with no source has been presented, such market data or market estimate is based on Finnair’s management’s estimates.

Additional Information

The Issuer or its debt securities have not been assigned any credit ratings at the request or with the co-operation of the Issuer in the rating process.

No Incorporation of Website Information

This Listing Prospectus will be published on Finnair's website at www.finnairgroup.com/investors/debt_investors. However, the contents of Finnair's website or any other website do not form a part of this Listing Prospectus, and prospective investors should not rely on such information in making their decision to invest in the Notes.

Notice to Investors in the European Economic Area (Other Than Finland)

This Listing Prospectus has been prepared on the basis that all offers of the Notes in the European Economic Area (the “**EEA**”) will be made pursuant to an exemption under the Prospectus Directive, as implemented in the member states of the EEA, from the requirement to produce a prospectus under the Prospectus Directive for offers of securities. Accordingly, any person making or intending to make any offer of the Notes within the EEA should only do so in circumstances in which no obligation arises for Finnair or the Lead Managers to publish a prospectus under the Prospectus Directive for such offer. Neither Finnair nor the Lead Managers have authorised, nor do they authorise, the making of any offer of securities through any financial intermediary. In relation to each member state of the EEA which has implemented the Prospectus Directive (each a “**Relevant Member State**”), an offer to the public of any Notes may not be made in that Relevant Member State, except that an offer of the Notes to the public in that Relevant Member State may be made at any time under the following exemptions from the Prospectus Directive (as amended by Directive 2010/73/EU), if they have been implemented in that Relevant Member State:

- (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive; or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of the Notes shall result in a requirement for the publication of a prospectus pursuant to Article 3 of the Prospectus Directive by Finnair or of the Lead Managers.

For the purposes of this provision, the expression an “offer to the public” in relation to any of the Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer of the Notes to be offered so as to enable an investor to decide to purchase any of the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State.

Notice to Prospective Investors in the United Kingdom

In the United Kingdom, this Listing Prospectus may be distributed only to, and may be directed at, (a) persons who have professional experience in matters relating to investments falling within Article 19(1) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”) or (b) high net worth entities falling within Article 49(2)(a) to (d) of the Order, and other persons to whom it may be lawfully communicated, falling within Article 49(1) of the Order (all such persons together being referred to as “**relevant persons**”). Any person who is not a relevant person should not act or rely on this document or any of its contents.

INFORMATION ABOUT THE ISSUER

General

The business name of the Issuer is Finnair Plc. Finnair is a public limited liability company incorporated on 1 November 1923, and it is organised under the laws of the State of Finland. The Issuer is registered in the Finnish Trade Register under the business identity code 0108023-3. Its registered address is Tietotie 9 A, Vantaa, Finland.

Finnair, one of the world's oldest operating airlines, was established in 1923. The Issuer operates as an integrated network airline, operating a domestic, European and intercontinental route network. The Issuer currently offers scheduled passenger services and air-cargo services on domestic routes in Finland, on over 60 direct routes to European destinations, on 13 direct intercontinental routes to Asia and on one route to New York in North America. The Issuer is one of the 12 international airlines that together comprise the oneworld™ airline alliance. In addition to the scheduled passenger and air-cargo markets, the Issuer has a strong position in the Finnish leisure traffic and travel services markets. The Issuer's operations are divided into Airline Business, Aviation Services and Travel Services. As at 30 June 2013, the number of the Finnair Group's personnel was 5,999. The Finnair Group's subsidiaries provide support services to the airline or operate in closely related areas. The Issuer's field of activity is provided for in Section 2 of its Articles of Association.

The backbone of the Issuer's flight network is its operational hub at Helsinki-Vantaa Airport in Finland. The Issuer's route network is designed so that it connects Finnair's European destinations to a growing number of Asian destinations via Helsinki-Vantaa Airport. The favourable geographic position of Helsinki-Vantaa Airport in the North-Eastern corner of Europe allows the shortest travel time between Europe and Asia in the case of more than 300 relevant city-pair combinations. The Issuer's European route network offers several daily frequencies between selected European cities and Helsinki-Vantaa Airport, enabling efficient feeder traffic for the long-haul flights to Asia, offering more destinations to Asian customers in Europe and offering Finnish and European business customers a possibility for an intra-day return trip.

As at 30 June 2013, the Issuer's share capital amounted to EUR 75,442,904.30 consisting of 128,136,115 shares. The State of Finland owned approximately 55.8 per cent of Finnair's shares, while approximately 12.6 per cent were held by foreign investors or in the name of a nominee. The Issuer has one share class, and the shares have no par value. The trading code of the shares is FIA1S. The shares of the Issuer are recorded in the book-entry system and they are subject to public trading on the official list of the Helsinki Stock Exchange.

History and Development of the Issuer

The Issuer, initially named Aero Ltd., is one of the world's oldest operating airlines. Aero Ltd. was established on 1 November 1923 and flew its first flight on 20 March 1924 from Helsinki to Tallinn. In 1953, Aero Ltd. started to use the name Finnair in its marketing, although the Issuer's name remained Aero Ltd. until December 1968, when it was changed to Finnair Ltd. Finnair was listed on the Helsinki Stock Exchange on 26 June 1989. In 1997, the Issuer's official name became Finnair Plc and, on 1 September 1999, the Issuer became a full member of the global oneworld™ alliance, which currently comprises 12 members.

Finnair's long-haul expansion started already in 1969 with flights from Helsinki via Copenhagen and Amsterdam to New York. The Company's Asian expansion began with the start of the Company's direct flights to Bangkok in 1976, flights to Tokyo in 1983 and flights to Beijing in 1988. Since early 2000, a key part of Finnair's strategy has been strengthening the Company's position in the Asian market and particularly in traffic between Europe and Asia. In its Asian expansion, the Issuer is supported in particular by Finland's favourable geographical position: the shortest routes from Europe to the North-Eastern Asia pass through Helsinki. Finnair is utilising Helsinki's geographical position especially in transfer traffic between large Asian hubs and North-European secondary cities without direct connection to Asia. At the date of this Listing Prospectus, Finnair's position in traffic between Europe and Asia is, according to Finnair's management, well established and growing strongly. The Issuer serves 13 Asian and over 60 European destinations in addition to New York.

The Issuer's successful operations are dependent on its ability to operate its short- and long-haul network and respective fleet efficiently. The fleet's composition (aircraft generations, types and ages) has major impact on

operations, and since mid-2000, the Issuer has focused on systematic fleet renewal program. Fleet renewal is key for successful strategy implementation, because it will lead to reduced unit costs and improved fuel efficiency. Harmonized Airbus fleet brings also asset and crew utilization benefits. Finnair fleet is discussed in more detail under “*Fleet*” on page 41.

In recent years, Finnair has used different financial arrangements to finance its fleet investments and to ensure adequate liquidity in difficult economic environment. The two most significant ones have been a new share issue in 2007 and issuance of hybrid bonds in 2009 and 2012. In November 2007, Finnair decided on a new share issue in which a maximum of 39,447,270 new shares were offered to be subscribed for by shareholders. Approximately 39.2 million shares were subscribed for in the offering, and approximately 5,360 investors participated in the offering. The Issuer used the net proceeds from the offering to fund its fleet restructuring programme and related investments that enabled the realisation of the Issuer’s growth strategy. In September 2009, Finnair issued a EUR 120 million domestic hybrid bond, of which EUR 67.7 million was repurchased in November 2012 in connection of the issuance of a new EUR 120 million hybrid bond. In July 2013, Finnair signed a EUR 180 million syndicated revolving credit facility carrying a maturity of three years. The facility is a reserve facility and is currently unused. In August 2013, Finnair announced that it will redeem the outstanding share of the EUR 120 million hybrid bond issued in 2009 together with accrued interest. The outstanding share amounts to EUR 52.35 million. The redemption will be made on 7 October 2013 in accordance with the terms and conditions of the hybrid bond.

The global airline industry in general is undergoing a structural change, and over the past decade the competitive landscape has changed dramatically especially in Europe with aggressive expansion of low-cost carriers. In recent years, Finnair has taken several measures to restructure its business and lower its costs to increase its competitiveness.

In November 2009, Finnair’s ground handling company Northport outsourced its baggage and apron services at Helsinki-Vantaa Airport, and they are currently operated by a Swiss company Swissport. The five-year contract expires in 2016. In July 2012, Finnair signed a ten-year contract for the sourcing of engine and component services from the Swiss company SR Technics. In August 2012, Finnair and a German company LSG Sky Chefs Group (LSG) signed a five-year partnership agreement based on which the operational responsibility for and decision making power in Finnair Catering will fully transfer to LSG.

In August 2011, Flybe Nordic AB, a company jointly owned by Flybe and Finnair, purchased Finnish Commuter Airlines. Following the acquisition, Flybe Nordic operates regional flying on behalf of Finnair under a contract flying arrangement. In October 2012, Finnair and Flybe signed a definitive agreement regarding the transfer of twelve Embraer 190 aircraft to be operated by Flybe Finland Oy. Flybe Finland Oy operates also these aircraft under a contract flying arrangement. The agreement covers approximately one third of Finnair’s European flying.

Finnair entered a transatlantic joint business with its oneworld™ alliance partners American Airlines, British Airways and Iberia in July 2013. It also announced in July 2013, that it will enter a similar joint business with Japan Airlines and British Airways concerning the flights between the EU and Japan later in 2013.

Ongoing and Future Investments

Capital expenditure excluding advance payments in January–June 2013 totalled EUR 27.0 million (10.3). Capital expenditure for the full year 2013 is estimated at approximately EUR 170 million, with investments in the fleet representing a majority of this total. At the date of this Listing Prospectus, the Issuer has placed through its aircraft financing subsidiary Finnair Aircraft Finance Oy firm orders for five A321 ER aircraft to be delivered in H2 2013 and H1 2014 and for 11 A350 XWB aircraft to be delivered from H2 2015 onwards and has in addition eight A350 XWB options. The gross value of these fleet investments totals EUR 1.2 billion. The investments are planned to be financed either through debt or cash flow or a combination thereof, or through leasing arrangements.

Business overview

Finnair’s business areas and subsidiaries are grouped into three operational areas: Airline Business, Aviation Services and Travel Services (consisting of tour operators and travel agencies). The Issuer’s financial segment reporting is based on this grouping.

Turnover, in EUR million	Jan-Jun 2013	Jan-Jun 2012	2012	2011
	Unaudited	Unaudited, restated	Unaudited, restated	Audited
Airline Business	1,074.4	1,045.5	2,187.0	1,970.5
Aviation Services	109.6	176.4	319.5	424.1
Travel Services	133.1	153.2	284.4	321.9
Group eliminations	-114.2	-188.9	-341.5	-458.8
Total	1,202.9	1,186.2	2,449.4	2,257.7

Finnair's three operational areas are described in more detail below.

Airline Business

General

The Airline Business segment is responsible for scheduled passenger and charter traffic as well as cargo sales, customer service and service concepts, flight operations and aircraft finance and fleet management. The Airline Business segment comprises the Sales & Marketing, Operations, Customer Service and Resources Management functions as well as the subsidiaries Finnair Cargo Oy, Finnair Cargo Terminal Operations Oy, Finnair Flight Academy Oy and Finnair Aircraft Finance Oy.

Fleet

Finnair's fleet is managed by Finnair Aircraft Finance Oy, a wholly-owned subsidiary of Finnair Plc. At the end of June 2013, Finnair itself operated 44 aircraft, of which 15 are wide-body and 29 narrow-body aircraft.

In addition to the aircraft operated by Finnair, its balance sheet includes 25 aircraft owned by the Company and operated by other airlines, mainly by Flybe Nordic. In June 2013, Finnair signed a contract on the lease of three Embraer 170 aircraft to the Mexican airline Aeromexico Connect for a period of six years. The first of the aircraft was delivered to Aeromexico Connect in June 2013, and the remaining two aircraft will be delivered in June 2014 after the expiry of their existing lease periods with Kenya Airways.

At the end of June 2013, the average age of the fleet operated by Finnair was 10.3 years, and that of the fleet operated by other airlines 4.7 years. Finnair also has eight leased aircraft, which it has subleased to be operated by other airlines.

In 2010, Finnair ordered five Airbus A321ER aircraft, which will replace four Boeing 757 aircraft used on leisure flights. Three of the aircraft will be delivered to Finnair in the second half of 2013 and the remaining two in the first half of 2014.

Finnair estimates that its first A350 XWB aircraft will be delivered and added to the fleet in the second half of 2015. Finnair ordered 11 A350 XWB aircraft from Airbus in 2005. Some of these aircraft will replace aircraft currently in use in long-haul traffic. The order includes an additional option for the delivery of eight more aircraft. Finnair is evaluating alternatives to minimise the effects that possible delays in deliveries may have.

Finnair has the possibility to adjust the size of its fleet flexibly according to demand and outlook due to its lease agreements with different durations.

The fleet operated by Finnair as at 30 June 2013 is described in the table below:

Fleet operated by Finnair on 30.6.2013	Seats	#	Own	Leased (operational leasing)	(finance leasing)	Average age	Change from 31.12.2012	Ordered	Add. options
European traffic									
Airbus A319	123–138	9	7	2		11.9			
Airbus A320	165	10	6	4		10.9			
Airbus A321	196	6	4	2		12.5		5	
Embraer 170	76						-1		
Long-haul traffic									
Airbus A330	297/271/263	8	4	1	3	3.7			
Airbus A340	270/269	7	5	2		10.5			
Airbus A350	na.							11	8
Leisure traffic									
Boeing B757	227	4	0	4		15.5			
Total		44	26	15	3	10.3	-1	16	8
Fleet owned by Finnair and operated by other airlines on 30.6.2013*									
ATR 72	68–72	12	12			3.9			
Embraer 170	76	5	5			7.3	+1		
Embraer 190	100	8	8			5.0			
Total		25	25			4.7	+1	0	0

* All ATR aircraft, all E190 aircraft and two E170 aircraft have been leased to Flybe Nordic and three E170 aircraft to parties outside the Group.

Aviation Services

After the structural reforms of Technical Services and catering implemented in 2012, the Aviation Services segment consists of aircraft maintenance and the operations of Finnecatering Oy and Finnair Travel Retail Oy. The business operations of Finnair Catering Oy were transferred to LSG Sky Chefs in August 2012. In addition, most of Finnair's property holdings, office services and the management and maintenance of properties related to the Company's operational activities also belong to the Aviation Services business area. Aviation Services' business consists mainly of intra-Group service provision. Over half of the business area's turnover comes from outside the Group.

Travel Services (Tour Operators and Travel Agencies)

The business area consists of the tour operator Aurinkomatkat (Suntours), its subsidiaries operating in Estonia, and the business travel agencies Area and Finland Travel Bureau (FTB) and FTB's subsidiary Estravel, which operates in the Baltic countries. Amadeus Finland produces travel sector software and solutions. Aurinkomatkat serves leisure travellers, offering its customers package tours, tailored itineraries, flight and hotel packages, flights and cruises as well as golf, sailing and skiing holidays.

Agreements Outside the Ordinary Course of Business

There are no material agreements that are not entered into in the ordinary course of the Issuer's business, which could result in any Finnair's group members being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to Noteholders.

Organization

Finnair Group's subsidiaries provide support services to Finnair or operate in closely related areas. Finnair Group's largest subsidiaries are Finnair Cargo Oy, Finnair Cargo Terminal Operations Oy, Finnair Flight Academy Oy, Finnair Aircraft Finance Oy, Finncatering Oy, Finnair Travel Retail Oy, Aurinkomatkat (Suntours), Area and Finland Travel Bureau.

Shared functions in Finnair's Group Administration are Finance and Control, Human Resources, Communications and Corporate Responsibility, Corporate Development, Legal Affairs and Internal Audit.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following is a summary of the Issuer's unaudited consolidated interim report for the six months ended and as at 30 June 2013 and 30 June 2012 and the Issuer's audited consolidated financial statements for the financial years ended and as at 31 December 2012 and 31 December 2011. The Issuer's interim report and the financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union.

Consolidated income statement	Unaudited	Unaudited, restated	Unaudited, restated	Audited
in mill. EUR	Jan-Jun 2013	Jan-Jun 2012 ¹⁾	Jan-Dec 2012 ¹⁾	Jan-Dec 2011
Turnover	1,202.9	1,186.2	2,449.4	2,257.7
Work used for own purposes and capitalized	0.7	1.1	1.7	3.1
Other operating income	8.7	10.2	20.8	13.9
Capital gains *	0.0	0.0	22.2	-3.0
Operating income	1,212.2	1,197.5	2,494.1	2,271.7
Operating expenses				
Staff costs	202.7	225.9	429.2	455.4
Fuel	341.0	325.5	670.3	555.2
Lease payment for aircraft	28.9	35.2	66.2	69.9
Other rental payments	72.4	57.5	123.2	128.0
Fleet materials and overhaul	79.9	55.1	133.1	117.8
Traffic charges	109.0	112.4	226.0	211.6
Ground handling and catering expenses	128.7	117.9	247.2	195.8
Expenses for tour operations	45.9	57.1	96.8	131.2
Sales and marketing expenses	37.8	38.8	75.7	93.3
Depreciation	62.3	64.2	130.8	130.6
Other expenses	115.2	115.2	230.2	246.8
Total	1,223.8	1,204.8	2,428.7	2,335.6
Operational result, EBIT	-11.6	-7.3	43.2	-60.9
Fair value changes of derivatives and foreign currency denominated	6.7	-11.7	-4.0	-2.4
fleet maintenance reserves				
Non-recurring items	-20.7	-16.3	-27.6	-21.5
Total Expenses	1,237.8	1,232.8	2,460.3	2,359.5
Operating result, EBIT	-25.6	-35.3	33.8	-87.8
Financial income	38.7	4.9	7.9	9.0
Financial expenses	-8.9	-15.6	-25.5	-30.6
Share of result in associates and joint ventures	-1.6	-2.7	-1.4	-2.1
Result before taxes	2.5	-48.7	14.8	-111.5
Direct taxes	-1.3	10.8	-4.3	24.0
Result for the period	1.2	-37.9	10.5	-87.5
Result for the period attributable to shareholders of the parent company	1.0	-38.1	10.2	-87.7
Result for the period to non-controlling interest	0.2	0.2	0.3	0.2
Earnings per share attributable to shareholders of the parent company (euro)				
Earnings per share (basic, diluted)	-0.04	-0.33	0.01	-0.75
Earnings per share from the result of the period	0.01	-0.30	0.08	-0.69

* Not included in the operational result, EBIT.

¹⁾ From 1 January 2013 Finnair Group has adopted the amendments to IAS 19 Employee Benefits. Comparative figures for 2012 have been restated according to the revised IAS 19 Employee Benefits. The change is allocated for the Airline Business segment. In addition, the grouping of de-icing, cleaning of aircraft and a few other expenses have been changed.

Consolidated balance sheet	Unaudited	Unaudited, restated	Unaudited, restated	Audited
in mill. EUR	Jun 30, 2013	Jun 30, 2012 ¹⁾	Dec 31, 2012 ¹⁾	Dec 31, 2011
ASSETS				
Non-current assets				
Intangible assets	21.4	29.9	25.5	32.3
Tangible assets	1,342.6	1,375.3	1,362.6	1,468.2
Investments accounted for using the equity method	10.7	9.4	12.3	13.7
Financial assets	21.8	37.4	22.7	32.1
Deferred tax receivables	85.4	90.1	77.6	75.2
Total	1,481.8	1,542.1	1,500.7	1,621.5
Short-term receivables				
Inventories	18.2	18.5	17.1	48.9
Trade receivables and other receivables	325.0	317.4	251.1	283.3
Investments	330.0	364.4	363.5	353.8
Cash and cash equivalents	94.9	62.7	67.0	49.5
Total	768.2	763.0	698.7	735.5
Non-current assets held for sale	27.1	86.8	31.9	0.0
Assets total	2,277.1	2,391.9	2,231.3	2,357.0
Shareholders' equity and liabilities				
Capital and provisions attributable to equity holders of the parent company				
Shareholders' equity	75.4	75.4	75.4	75.4
Other equity	658.2	613.2	699.0	676.4
Total	733.6	688.6	774.4	751.8
Non-controlling interest	0.8	0.8	0.9	0.7
Equity total	734.4	689.4	775.3	752.5
Long-term liabilities				
Deferred tax liability	89.9	91.6	91.6	98.5
Financial liabilities	349.6	482.2	413.5	516.0
Pension obligations	5.0	0.0	3.6	0.0
Provisions	83.5	90.6	82.3	86.9
Total	528.0	664.4	591.0	701.4
Short-term liabilities				
Current income and tax liabilities	0.0	0.0	0.1	0.0
Provisions	45.3	42.7	38.2	46.0
Financial liabilities	194.8	205.7	174.2	229.9
Trade payables and other liabilities	772.0	773.4	650.3	627.2
Liabilities of non-current assets held for sale	2.5	16.3	2.2	-
Total	1,014.6	1,038.1	865.0	903.1
Liabilities total	1,542.6	1,702.5	1,456.0	1,604.5
Shareholders' equity and liabilities total	2,277.1	2,391.9	2,231.3	2,357.0

¹⁾ From 1 January 2013 Finnair Group has adopted the amendments to IAS 19 Employee Benefits. Comparative figures for 2012 have been restated according to the revised IAS 19 Employee Benefits. The change is allocated for the Airline Business segment. In addition, the grouping of de-icing, cleaning of aircraft and a few other expenses have been changed.

		Unaudited	Unaudited, restated	Unaudited, restated	Audited
Key Figures		Jan-Jun 2013	Jan-Jun 2012 ¹⁾	Jan-Dec 2012 ¹⁾	Jan-Dec 2011
Turnover and result					
Turnover	EUR million	1,202.9	1,186.2	2,449.4	2,257.7
Operational result, EBIT	EUR million	-11.6	-7.3	43.2	-60.9
Operational result, % of turnover	%	-1.0	-0.6	1.8	-2.7
Operating result, EBIT	EUR million	-25.6	-35.3	33.8	-87.8
EBITDAR	EUR million	79.6	92.1	240.2	139.6
Result before taxes	EUR million	2.5	-48.7	14.8	-111.5
Net result	EUR million	1.2	-37.9	10.5	-87.5
Balance sheet and cash flow					
Equity ratio	%	32.7	29.3	35.4	32.6
Gearing	%	13.3	35.4	18.0	43.3
Adjusted gearing	%	70.4	106.8	77.8	108.4
Capital expenditure, CAPEX	EUR million	27.0	10.3	41.4	203.9
Return on capital employed, ROCE 12 months rolling	%	6.8	-3.8	2.8	-5.2
Return on equity, ROE, 12 months rolling	%	7.0	-9.2	1.4	-10.9
Net cash flow from operating activities	EUR million	78.6	92.3	154.7	50.8
Share					
Share price at end of quarter	EUR	2.70	1.75	2.38	2.30
Earnings per share	EUR	-0.04	-0.33	0.08	-0.75

¹⁾ From 1 January 2013 Finnair Group has adopted the amendments to IAS 19 Employee Benefits. Comparative figures for 2012 have been restated according to the revised IAS 19 Employee Benefits. The change is allocated for the Airline Business segment. In addition, the grouping of de-icing, cleaning of aircraft and a few other expenses have been changed.

CHANGE IN ACCOUNTING POLICIES

From 1 January 2013 Finnair Group has adopted the amendments to IAS 19 Employee Benefits. The change is allocated for the Airline Business segment. The grouping of de-icing, cleaning of aircraft and a few other expenses have been changed. The effects of the amendments on consolidated income statement and consolidated balance sheet for the six months ended 30 June 2012 and for the year ended 31 December 2012 are described below.

Consolidated income statement	Jan-Jun 2012				
in mill. EUR	Reported	IAS 19 Employee Benefits	De-icing and cleaning of aircraft	Other adjustment	Restated
Operating income	1,197.5	0.0	0.0	0.0	1,197.5
Staff costs	228.8	-3.0	0.0	0.1	225.9
Fleet materials and overhaul	71.8	0.0	-16.7	0.0	55.1
Ground handling and catering expenses	101.2	0.0	16.7	0.0	117.9
Sales and marketing expenses	38.2	0.0	0.0	0.6	38.8
Other expenses	115.9	0.0	0.0	-0.7	115.2
Other expenses total	679.9	0.0	0.0	0.0	679.9
Operating result, EBIT	-38.3	3.0	0.0	0.0	-35.3
Result before taxes	-51.7	3.0	0.0	0.0	-48.7
Direct taxes	11.5	-0.7	0.0	0.0	10.8
Result for the period	-40.2	2.3	0.0	0.0	-37.9

Consolidated income statement	Jan-Dec 2012				
in mill. EUR	Reported	IAS 19 Employee Benefits	De-icing and cleaning of aircraft	Other adjustment	Restated
Operating income	2,494.1	0.0	0.0	0.0	2,494.1
Staff costs	426.9	1.7	0.0	0.6	429.2
Fleet materials and overhaul	156.0	0.0	-22.9	0.0	133.1
Ground handling and catering expenses	224.3	0.0	22.9	0.0	247.2
Sales and marketing expenses	74.3	0.0	0.0	1.4	75.7
Other expenses	232.2	0.0	0.0	-2.0	230.2
Other expenses total	1,344.9	0.0	0.0	0.0	1,344.9
Operating result, EBIT	35.5	-1.7	0.0	0.0	33.8
Result before taxes	16.5	-1.7	0.0	0.0	14.8
Direct taxes	-4.7	0.4	0.0	0.0	-4.3
Result for the period	11.8	-1.3	0.0	0.0	10.5

Consolidated balance sheet	30 Jun 2012			31 Dec 2012		
in mill. EUR	Reported	Adjustment	Restated	Reported	Adjustment	Restated
ASSETS						
Non-current assets						
Financial assets	32.5	4.9	37.4	33.1	-10.4	22.7
Other non-current assets	1,504.7	0.0	1,504.7	1,478.0	0.0	1,478.0
Non-current assets total	1,537.2	4.9	1,542.1	1,511.1	-10.4	1,500.7
Short-term receivables total	849.8	0.0	849.8	730.6	0.0	730.6
Assets total	2,387.0	4.9	2,391.9	2,241.7	-10.4	2,231.3
Shareholders' equity and liabilities						
Capital and provisions attributable to equity holders of the parent company						
Shareholders' equity	75.4	0.0	75.4	75.4	0.0	75.4
Other equity	608.5	4.7	613.2	709.2	-10.2	699.0
Total	683.9	4.7	688.6	784.6	-10.2	774.4
Non-controlling interest	0.8	0.0	0.8	0.9	0.0	0.9
Equity total	684.7	4.7	689.4	785.5	-10.2	775.3
Long-term liabilities						
Deferred tax liability	91.4	0.2	91.6	94.9	-3.3	91.6
Pension obligations	0.0	0.0	0.0	0.5	3.1	3.6
Other long-term liabilities	572.8	0.0	572.8	495.8	0.0	495.8
Total	664.2	0.2	664.4	591.2	-0.2	591.0
Short-term liabilities total	1,038.1	0.0	1,038.1	865.0	0.0	865.0
Liabilities total	1,702.3	0.2	1,702.5	1,456.2	-0.2	1,456.0
Shareholders' equity and liabilities total	2,387.0	4.9	2,391.9	2,241.7	-10.4	2,231.3

Calculation of key ratios

Earnings / share =	$\frac{\text{Profit for the period}}{\text{Average number of shares at the end of the financial year, adjusted for share issues}}$
Equity / share =	$\frac{\text{Shareholders' equity}}{\text{Number of shares at the end of the financial year, adjusted for share issues}}$
Gearing, % =	$\frac{\text{Net interest-bearing liabilities}}{\text{Shareholders' equity + non-controlling interest}}$
Operating profit, EBIT =	Operating profit excluding capital gains, non-recurring items and fair value changes in derivatives and changes in the exchange rates of fleet overhauls
Return on capital employed, % (ROCE) =	$\frac{\text{Profit before taxes + interest and other financial expenses} * 100}{\text{Balance sheet total - non-interest-bearing liabilities (average)}}$
Net interest-bearing liabilities =	Interest-bearing liabilities - interest-bearing assets - listed shares
Equity ratio, % =	$\frac{\text{Shareholders' equity + non-controlling interest} * 100}{\text{Balance sheet total - advances received}}$
Return on equity % (ROE) =	$\frac{\text{Result} * 100}{\text{Equity + non-controlling interest (average)}}$

Shareholders equity = To equity holders of the parent

FINANCIAL AND TREND INFORMATION, FUTURE OUTLOOK

Historical Financial Information

Finnair's consolidated audited financial statements as at and for the financial years ended 31 December 2012 and 2011 (IFRS) and the unaudited interim report as at and for the six month period ended 30 June 2013 (IFRS) have been incorporated into this Listing Prospectus by reference.

No Significant Change in the Issuer's Financial or Trading position

Finnair's interim report as at and for the six month period ended 30 June 2013 has been incorporated into this Listing Prospectus by reference.

There has been no material change in Finnair's financial or trading position since 30 June 2013.

Trend Information – Business conditions

The long-term growth prospects for air transport are good. Airbus estimates that between 2012 and 2031, revenue passenger kilometres will grow by 4% annually in developed regions (North America, Europe and Japan) and by 6% annually in expanding regions (other areas). Emerging economies drive strong travel growth due to increasing wealth, growing middle class and more first time flyers. The growing tourism and internationalisation and more efficient new generation aircraft further contribute to the growth.

The global airline industry is, however, undergoing structural changes, the typical characteristics of which are market liberalisation, increasing competition especially by new generation low cost carriers, overcapacity, consolidation, alliances and specialisation. The high price of jet fuel impedes the situation further. In 2012, the intense competition in the industry was seen in major cost-reduction and structural change programs and bankruptcies of a number of European airlines. The capacity growth in the market is clearly more controlled than previously, and various partnerships have emerged, especially in international long-haul traffic.

In April–June 2013, Finnair's business environment remained difficult. European network carriers, Finnair included, continued to implement structural change and cost-reduction programs to improve their competitiveness in the prevailing tight competitive situation.

Despite the European economy being in a recession, demand for passenger traffic in Europe continued to grow. Combined with the conservative stance airlines have taken toward increasing their capacity, this led to improved load factors. The demand for air cargo in traffic between Asia and Europe was largely unchanged from the corresponding period in 2012.

In April–June 2013, the price of the largest individual cost factor of airlines, i.e. jet fuel, remained at a high level. The euro appreciated nearly 26 per cent against the Japanese yen and approximately two per cent against the US dollar compared to the corresponding period in 2012. The yen is an important income currency in Finnair's operations, while the dollar is a significant expense currency.

The uncertain economic outlook in Europe, weakened consumer demand and slower growth in Asia increase the uncertainty of the future development of air traffic. Fuel costs are expected to remain high in 2013 as well, and the demand for air traffic is estimated to grow moderately.

Future Outlook

In its interim report 1 January – 30 June 2013, Finnair provided the following information on the near-term outlook:

Finnair estimates its 2013 turnover to be approximately at the 2012 level due to the pressure that the weak yen puts on the Japan generated unit revenues. Unit costs excluding fuel (CASK excl. fuel) are expected to decrease compared to 2012. Finnair estimates that its operational result will show a profit in 2013.

There has been no material adverse change in the future outlook of Finnair since the publication of Finnair's last audited financial statements. The basis for the outlook set out above is included in Finnair's interim report 1 January – 30 June 2013, which has been incorporated into this Listing Prospectus by reference.

Influence of management on factors affecting the estimates

The assumptions on bases for future outlook upon which the management can influence for its parts include measures that the Company is capable of implementing in Finnair's operations to certain extent, such as product and service selection, pricing and sales network, as well as Finnair's cost structure and amount and timing of investments. The other factors expressed in section "*Future Outlook*" are generally outside of the influence of the management.

Legal and Arbitration Proceedings

There are no governmental, legal, arbitration or administrative proceedings against or affecting the Issuer or any of its subsidiaries (and no such proceedings are pending or threatened of which the Issuer is aware) during a period covering at least the previous 12 months which have or may have in the recent past, individually or in the aggregate, significant effects on the profitability or the financial position of the Issuer or of the Issuer and its subsidiaries taken as a whole.

DIRECTORS, MANAGEMENT AND SIGNIFICANT SHAREHOLDERS

Board of Directors

Klaus Heinemann (born 1951) has been the Chairman of Finnair's Board of Directors since March 2013 and member since 2012. Mr Heinemann was the CEO of AerCap Holdings N.V., a NYSE-listed global aircraft leasing company, in 2003-2011, Member of the Executive Board of DVB Bank, focused on transport financing, in 1998-2002, Global Head of Aviation/Shipping at the Long-Term Credit Bank of Japan (LTCB) and the Co-Head of LTCB's London branch in 1988-1998, and held various positions in Bank of America in 1976-1988. Relevant positions of trust include Chairman of the Board of Directors of AerData and Member of the Advisory Board of Skyworks Holdings LLC. Mr Heinemann holds a Diplom Kaufmann.

Harri Kerminen (born 1951) has been the Vice Chairman of Finnair's Board of Directors since 2012 and member since 2011. Mr Kerminen was President and CEO of Kemira Plc and Chairman of the Business and Strategic Management Boards of Kemira between 2008 and 1 April 2012. He was President of the Kemira Pulp&Paper business area in 2006-2007, President of the Kemira Specialty business area in 2000-2006 and held several different positions in Kemira both in Finland and international locations between 1989-2000. Relevant positions of trust include Member of the Boards of Outokumpu Oyj, Tikkurila Oyj and Normet Oy, Chairman of the Boards of Finpro ry and Finnish Industry Investment Ltd, and Member of the Board of TT Foundation of the Confederation of Finnish Industries. Mr Kerminen holds a Master of Science degree in Engineering and an MBA.

Maija-Liisa Friman (born 1952) has been a member of Finnair's Board of Directors since 2012. Maija-Liisa Friman was President and CEO of Aspocomp Group Oyj in 2004-2007, Managing Director of Vattenfall Oy in 2000-2004 and President of Gyproc Oy in 1993-2000. Relevant positions of trust include Vice Chairman of the Board of Neste Oil Oyj, Member of the Boards of LKAB, Talvivaara Mining Company Plc, the Finnish Securities Market Association and Boardman Oy, and Chairman of the Board of Ekokem Oy and Helsinki Deaconess Institute. Ms Friman holds a Master of Science degree in Engineering.

Jussi Itävuori (born 1955) has been a member of Finnair's Board of Directors since 2012. Mr Itävuori was the Head of Human Resources for and a Member of the Executive Committee of the European Aeronautic Defence and Space Company EADS between 2001 and June 2012. From 1982 to 2001, Mr Itävuori worked in several human resources management positions with the elevator manufacturer KONE Corporation, lastly as Senior Vice President of Human Resources and Communication and as Member of the Corporate Management Group between 1997 and 2001. Prior to joining KONE, Itävuori worked with Kesko, a wholesale company. He served as a pilot in the Finnish Air Force in 1974-1975. Relevant positions of trust include Member of the Board of Patria Plc. Mr Itävuori holds a Master of Science degree in Economics.

Merja Karhapää (born 1962) has been a member of Finnair's Board of Directors since 2012. Ms Karhapää works as Head of Group Legal Affairs at Sanoma Corporation since 2008. Prior to assuming her current position in 2008, she worked as Vice President, Group Legal Affairs of SanomaWSOY (currently Sanoma Corporation) since 2000. Previously Karhapää was Vice President, Intellectual Capital of Cultor (currently Danisco) in 1996-2000 and Corporate Counsel of Sanoma and that of Valmet. Relevant positions of trust include Member of the Boards of Biotie Therapies Corporation and De Vijver Media N.V. Ms Karhapää holds an LL.M.

Gunvor Kronman (born 1963) has been a member of Finnair's Board of Directors since 2012. Ms Kronman is the CEO of Swedish-Finnish Cultural Centre since 2003. Prior to her current position she worked in several positions with the International Red Cross in 1987-2003 and as Senior Advisor of Nordic Council in Denmark in 1996-1999. She started her career as journalist in Finnish Broadcasting Company YLE in 1983-1987. Relevant positions of trust include Chairman of the Board of Plan Finland, Vice Chairman of the Boards of Crisis Management Initiative, Finnish Broadcasting Company YLE and Helsinki Music Hall, member of the Boards of Helsinki University, Swedish Royal National Theater Dramaten (Sweden), Finnish Red Cross Blood Service, Konstsamfundet and Victoria Augusta Hospital (Israel). Ms Kronman holds a Master of Arts degree.

Antti Kuosmanen (born 1950) has been a member of Finnair's Board of Directors since March 2013. Mr Kuosmanen has more than 35 years of experience in economic relations in the EU. He is permanent representative of Finland to the OECD and to UNESCO. Between 2005 and 2009 Mr Kuosmanen was the Ambassador of Finland

to the People's Republic of China and to Mongolia, and prior to that from 2002 to 2005 Director General of the Department for External Economic Relations in the Finnish Ministry of Foreign Affairs. He held various positions between 1976 and 2002 in the administration of Finland's foreign affairs, being based either in Finland or in Europe. He was, among other things, a member of the delegation negotiating Finland's accession to the EU. Mr Kuosmanen holds a Bachelor of Arts and a Master of Science degree in Mathematics, Economics and Statistics.

Executive Board

Pekka Vauramo (born 1957), President and Chief Executive Officer, in Finnair's service since June 2013. Vauramo previously worked for Cargotec Corporation, MacGregor, as Chief Operating Officer (COO) in 2012-2013, and Cargotec Corporation, as Chief Operating Officer and Deputy to CEO in 2007-2012. Mr Vauramo holds a Master of Science degree in Mining.

Erno Hildén (born 1971), Chief Financial Officer, in Finnair's service since 1997. Mr Hildén's previous posts include VP for Finnair Leisure Flights business unit and various business development posts in Finnair corporate management. Prior to his present position he was Finnair's Chief Operating Officer. Mr Hildén holds a Master of Science degree in Economics.

Ville Iho (born 1969), Chief Operating Officer, in Finnair's service since 1998. Mr Iho previously held various posts in Finnair's Scheduled Traffic. Prior to his present position he was Finnair's SVP Resources Management. Mr Iho holds a Master of Science degree in Technology.

Gregory Kaldahl (born 1957), Senior Vice President Resources Management, in Finnair's service since 2011. Kaldahl previously worked for several airlines. His latest position was VP, Resource Planning for United Airlines. Mr Kaldahl holds a Bachelor of Science degree in Education.

Allister Paterson (born 1960), Senior Vice President Commercial Division, in Finnair's service since 7 January 2013. Mr Paterson has previously worked in the transportation sector, in senior leadership positions in Air New Zealand and as a CEO of Air Canada Vacations. Prior to joining Finnair he worked as a CEO of Seaway Marine Transport. Mr Paterson holds an MBA.

Sami Sarelius (born 1971), Senior Vice President and General Counsel, in Finnair's service since 1998. Mr Sarelius holds an LL.M.

Arja Suominen (born 1958), Senior Vice President Corporate Communications and Corporate Responsibility, in Finnair's service since 2011. Ms Suominen previously worked for Nokia Oyj, mainly in communications positions, ultimately as Nokia Oyj's Senior Vice President, Communications. Ms Suominen holds a Master of Arts degree and an e-MBA.

Manne Tiensuu (born 1970), Senior Vice President Human Resources, in Finnair's service since 2010. Mr Tiensuu previously worked for Glaston Oyj and Nokia Oyj. Mr Tiensuu holds a Master of Psychology degree.

Kaisa Vikkula (born 1960), Senior Vice President Travel Services, in Finnair's service since 2006. Vikkula previously worked in the finance and capital markets, as an investor relations and communications director for Partek Plc and Managing Director of Mascus Ltd. Ms Vikkula holds a Doctor of Science degree in Economics.

Until 31 August 2013:

Anssi Komulainen (born 1964), Senior Vice President Customer Service, in Finnair's service since 1989-1999 and since 2001. Mr Komulainen has worked in various management posts in the restaurant sector as well as in Finnair Catering's service, ultimately as its Managing Director and SVP Catering. His latest position was SVP, Human Resources. Mr Komulainen holds a Bachelor of Arts degree.

Business Address

The business address of the members of the Board of Directors, the Chief Executive Officer and the Executive Board is Tietotie 9 A, 01053 FINNAIR.

Conflicts of Interest

The members of the Board of Directors, the Executive Board or the Chief Executive Officer do not have any conflicts of interest between their duties relating to the Issuer and their private interests and/or their other duties.

Corporate Governance

Finnair adheres to the Articles of Association and the Finnish Companies Act as well as the rules and regulations for listed companies issued by NASDAQ OMX Helsinki Exchange. Furthermore, the Finnair Group complies without exception with the Finnish Corporate Governance Code for listed companies published in 2010. The Corporate Governance Code is publicly available on the website of the Securities Market Association's website at www.cgfinland.fi.

All members of the Board of Directors are independent of the Issuer and its significant shareholders.

Board Committees

Audit Committee

The Audit Committee assists the Board in its task to ensure the proper governance of the Company, in particular, by considering the accounting and financial reporting, the Company's internal control systems and the work of the external auditors. The Audit Committee addresses concerns pertaining to control matters as raised by the management or the auditors of the Company, which the Audit Committee reports to the Board. The Audit Committee ensures that appropriate action is taken by the management to rectify identified weaknesses.

According to the Corporate Governance Code, the members of the Committee must be sufficiently qualified to perform the responsibilities of the Committee.

The Audit Committee monitors the financial status of the Company, monitors the reporting process of financial statements and interim reports and assesses the draft financial statements and interim reports, assesses the efficiency of the Company's internal controls, internal auditing and risk management system, monitors the statutory audit and reviews all material reports from the auditor, assesses the independence of the auditors, in particular with regard to their ancillary services, and prepares for the Board proposals to the Annual General Meeting regarding the election of the auditor(s) and their remunerations, reviews the auditors' and internal auditors' audit plans and reports, reviews the Company's corporate governance statement, prepares for the Board the group's risk management policies, prepares for the Board decisions on significant changes in the accounting principles or in the valuations of the group's assets and assesses the Group's compliance with laws and regulations.

Remuneration Committee

The Remuneration Committee assists the Board in matters pertaining to the compensation and benefits of the CEO and other senior management, their performance evaluation, appointment and successor planning. The Committee assists the Board also in establishing and evaluating the group's compensation structures and other personnel policies.

Significant Shareholders

The State of Finland owns 55.8 per cent of the issued and outstanding shares and votes in the Issuer. The Issuer is thus directly controlled by the State of Finland. The Issuer is not aware of any arrangement the operation of which may result in a change of control of the Issuer.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents have been incorporated by reference to this Listing Prospectus. They have been published on Finnair's website at www.finnairgroup.com/investors/debt_investors.

Information Incorporated by Reference

Finnair's unaudited consolidated interim report for the six months ended 30 June 2013

Financial Statement for the year 2012

Auditor's Report for the year 2012

Financial Statement for the year 2011

Auditor's Report for the year 2011

DOCUMENTS ON DISPLAY AND AVAILABLE INFORMATION

In addition to the documents incorporated by reference, Finnair's Articles of Association and Extract from the Finnish Trade Register concerning Finnair may be inspected during the loan period at the head office of the Issuer, Tietotie 9 A, Vantaa, Finland on weekdays from 9:00 am to 4:00 pm. In order to ensure the best possible service, persons wishing to examine the documents referred to in this section are kindly requested to notify the Issuer of their visit in advance by telephone (+358 9 818 4054).

The Issuer publishes annual reports, including its audited consolidated financial statements, quarterly interim financial information and other information as required by the Helsinki Stock Exchange. All annual reports, interim reports and stock exchange releases are published in Finnish and English. Copies of these documents can be obtained from Finnair, Investor Relations, Mari Reponen, tel. +358 9 818 4054 or by email at investor.relations@finnair.fi.

ANNEX A – TERMS AND CONDITIONS OF THE NOTES

FINNAIR PLC EUR 150,000,000 5.00 % NOTES DUE AUGUST 2018

ISIN CODE FI4000068598

The Board of Directors of Finnair Plc (the “**Issuer**”) has at its meeting on 13 August 2013 authorised the Chief Financial Officer of the Issuer or a person appointed by him to decide on the issue of notes referred to in paragraph 1 of Section 34 of the Act on Promissory Notes (622/1947, as amended) (*Velkakirjalaki*) (the “**Notes**”).

Danske Bank A/S and Pohjola Bank plc will act as lead managers in connection with the offer and issue of the Notes (the “**Lead Managers**”).

1. Principal Amount and Issuance of the Notes

The principal amount of the Notes is one hundred and fifty million euros (EUR 150,000,000).

The Notes will be issued in dematerialised form in the RM book-entry securities system of Euroclear Finland Ltd (“**EFi**”) (or any system replacing or substituting the RM book-entry securities system in accordance with the regulations and decisions of EFi), address Urho Kekkosen katu 5 C, FI-00100 Helsinki, Finland, in accordance with the Finnish legislation governing book-entry system and book-entry accounts as well as the regulations and decisions of EFi.

The issue administrator (in Finnish *liikkeeseenlaskun hoitaja*) of the Notes referred to in the regulations of EFi (the “**Issue Administrator**”) and the paying agent of the Notes (the “**Paying Agent**”) is Pohjola Bank plc.

The issue date of the Notes is 29 August 2013 (the “**Issue Date**”).

The Notes will be offered for subscription in a minimum amount of EUR 100,000. The principal amount of each book-entry unit relating to the Notes (in Finnish *arvo-osuuden yksikkökoko*) is EUR 1,000. The maximum number of the Notes is 150,000. Each Note will be freely transferable after it has been registered into the respective book-entry account.

2. Subscription of the Notes

The Notes shall be offered for subscription mainly to domestic and international institutional investors outside of the United States of America through a book-building procedure. The subscription period shall commence and end on 22 August 2013 (the “**Subscription Period**”).

Bids for subscription shall be submitted during the Subscription Period to Danske Bank A/S, Fixed Income Sales, c/o Danske Bank Oyj, Hiililaiturinkuja 2, Helsinki, FI-00075 DANSKE BANK, Finland, telephone +358 10 513 8756 or +358 10 513 8750, and/or Pohjola Bank plc, Pohjola Markets, Teollisuuskatu 1 b, 00013 POHJOLA, Finland, telephone +358 (0)10 252 7970, during regular business hours.

Subscriptions made are irrevocable. All subscriptions remain subject to the final acceptance by the Issuer. The Issuer may, in its sole discretion, reject a subscription in part or in whole. The Issuer shall decide on the procedure in the event of over-subscription.

Subscriptions shall be paid for as instructed in connection with the subscription. Notes subscribed and paid for shall be entered by the Issue Administrator to the respective book-entry accounts of the subscribers on a date advised in connection with the issuance of the Notes in accordance with the Finnish legislation governing book-entry system and book-entry accounts as well as regulations and decisions of EFi.

3. Issue Price

The issue price of the Notes is 99.896 per cent.

4. Interest

The Notes bear fixed interest at the rate of 5.00 per cent. per annum. The interest on the Notes will be paid in arrear commencing on 29 August 2014 and thereafter annually on each 29 August ("**Interest Payment Date**") until the Redemption Date (as defined below).

Interest shall accrue for each interest period from and including the first day of the interest period to (but excluding) the last day of the interest period on the principal amount of Notes outstanding from time to time. The first interest period commences on the Issue Date and ends on the first Interest Payment Date. Each consecutive interest period begins on the previous Interest Payment Date and ends on the following Interest Payment Date. The last interest period ends on the Redemption Date (as defined below).

Interest in respect of the Notes will be calculated on the basis of the actual number of days elapsed in the relevant interest period divided by 365, or, in the case of a leap year, 366 (Actual / Actual ICMA).

5. Redemption

The Notes shall be repaid in full at their nominal principal amount on 29 August 2018 (the "**Redemption Date**"), to the extent the Issuer has not prepaid the Notes in accordance with Condition 8 (*Put Option Events*), 9 (*Redemption at the option of the Issuer due to the Noteholder's opposition of a Demerger*) or 11 (*Events of Default*) below.

6. Status and Security

The Notes constitute direct, unsecured and unguaranteed obligations of the Issuer ranking pari passu among each other and with all other unsecured and unsubordinated indebtedness of the Issuer, save for such obligations as may be preferred by mandatory provisions of law.

7. Payments

Interest on and principal of the Notes shall be paid in accordance with the Finnish legislation governing book-entry system and book-entry accounts as well as the regulations and decisions of EFi.

Should any Interest Payment Date or the Redemption Date fall on a date which is not a Business Day, the payment of the amount due will be postponed to the next Business Day. Any such change of the payment date shall not have an impact on the amount payable.

In these terms and conditions, "**Business Day**" means a day on which banks in Helsinki are open for general business and on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System is open.

8. Put Option Events

8.1. Each of the following events which occurs after the Issue Date shall constitute a Put Option Event:

(a) Change of Control:

- (1) any person or group of persons acting in concert (other than the Republic of Finland) gains control (a "**Change of Control**") of the Issuer, and the Issuer has upon becoming aware of the Change of Control promptly notified the holders of Notes (the "**Noteholders**") of the Change of Control in accordance with Condition 14 (*Notices*) ("**Change of Control Notice**"); and

- (2) the Issuer does not notify the Noteholders in accordance with Condition 14 (*Notices*) on the last day of the period of 180 days commencing on the date of the Change of Control Notice (or in the case that such last day is not Business Day, on the immediately preceding day that is a Business Day) that the Notes have a confirmed investment grade credit rating (*BBB-, or its equivalent, or better*) reflecting the financial situation of the Issuer after the Change of Control from one or more Rating Agencies as of such date,
- (b) the Issuer disposes or otherwise ceases operating of all or a material part of its long-haul Asian traffic as conducted on the Issue Date.
- (c) the Board of Directors of the Issuer has signed a plan for a Demerger (as defined below).
- 8.2 Upon occurrence of a Put Option Event specified in sub-condition 8.1(b) or (c) above the Issuer shall notify the Noteholders in accordance with Condition 14 (*Notices*) of the Put Option Event. In the case of a Put Option Event specified in sub-condition (c) above such notice must be published no later than on the date that the announcement of the Demerger is published in the Finnish Official Gazette (*Fi: Virallinen Lehti*).
- 8.3 On the Prepayment Date (as defined below), the Issuer shall prepay the nominal principal amount (without any premium or penalty) of, and the interest accrued on, the Notes held by the Noteholders who have required prepayment of Notes held by them by a written notice to be given to the Issuer no later than fifteen (15) Business Days before the Prepayment Date. Interest on the Notes accrues until the Prepayment Date (excluding the Prepayment Date).
- 8.4 Any Noteholder whether or not it elects to exercise the right to require prepayment in the case of a Demerger specified in sub-condition 8.1(c) above is deemed to have waived any and all statutory rights under Finnish law to oppose the Demerger in its capacity as a Noteholder.
- 8.5 Each Noteholder that elects to exercise the right to require prepayment in the case of a Demerger specified in sub-condition 8.1(c) above has to confirm in writing that it will not oppose the Demerger or, if it already has opposed the Demerger, is obliged to withdraw any notice of opposing the Demerger on the Prepayment Date at the latest, provided that the Issuer has paid the relevant redemption amount on the Prepayment Date. Further, without prejudice to the Noteholders' primary obligation to withdraw any notices opposing the Demerger, the Noteholders have by these terms and conditions irrevocably authorised the Issuer to represent them with respect to the Finnish Trade Register in order to withdraw the notices opposing the Demerger following the payment of the relevant prepayment amount.

“acting in concert” means, a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition by any of them, either directly or indirectly, of shares in the Issuer, to obtain or consolidate control of the Issuer.

“control” means a person or group of persons acting in concert holding (directly or indirectly) more than 50% of the voting rights (being votes which are capable of being cast generally at meetings of shareholders) of the Issuer.

“Demerger” means a demerger pursuant to Chapter 17 of the Finnish Companies Act (624/2006 as amended from time to time).

“Group” has the meaning set out in Condition 11 (*Events of Default*).

“Prepayment Date” means the date falling forty-five (45) Business Days after

- (a) the last day of the 180 day period referred to in sub-condition 8.1(a)(2) above; or
- (b) the publication of any notice referred to in sub-condition 8.2 above.

“Put Option Event” has the meaning specified in sub-condition 8.1 above.

“**Rating Agency**” means any internationally recognised rating agency established in the European Economic Area (“EEA”) and registered under Regulation (EU) No 1060/2009, as amended (the “CRA Regulation”) and notified to the Noteholders by the Issuer in accordance with Condition 14 (*Notices*).

9. Redemption at the option of the Issuer due to the Noteholder’s opposition of a Demerger

In the event that any Noteholder opposes a Demerger (which, for the avoidance of doubt, is not permitted by these terms and conditions), the Issuer may, by giving not less than ten (10) days’ notice to the Noteholders in accordance with Condition 14 (*Notices*) (which notice shall be irrevocable and specify the redemption date), redeem the Notes held by the Noteholders who have opposed or shall oppose the Demerger. In such case the redemption shall take place at the nominal principal amount of the redeemed Notes together with any accrued interest but without any premium or penalty. Each such Noteholder is obliged to withdraw any notice of opposing the Demerger on the redemption date specified in the Issuer’s notice at the latest, provided that the Issuer has paid the relevant redemption amount on such redemption date. Further, without prejudice to the Noteholders’ primary obligation to withdraw any notices opposing the Demerger, the Noteholders have by these terms and conditions irrevocably authorised the Issuer to represent them with respect to the Finnish Trade Register in order to withdraw the notices opposing the Demerger following the payment of the relevant redemption amount.

10. Negative Pledge

So long as any Note remains outstanding, the Issuer shall not, and the Issuer shall procure that none of its Subsidiaries will, create any mortgage, charge, lien, pledge or other security interest to secure any other notes, bonds or other similar debt securities that are capable of being listed on a stock exchange or subject to trading in a regulated market or multilateral trading facility issued after the issuance of the Notes (or create any such security interest to secure any guarantee or indemnity over such notes or other securities), unless the granting of such security interest is required under Finnish law or other law governing such notes, bonds or other debt securities or unless prior to or simultaneously therewith the Issuer’s obligations under the Notes either (a) are secured equally and rateably therewith or (b) have the benefit of such other security interest or other arrangement (whether or not it includes the granting of a security interest) as shall be approved by a resolution of the Noteholders (as referred to in Condition 13 (*Noteholders’ Meeting*)).

“**Subsidiary**” means for the purposes of these terms and conditions a subsidiary within the meaning of Chapter 1, Section 6 of the Bookkeeping Act (1336/1997, as amended) (in Finnish *Kirjanpitolaki*).

11. Events of Default

If an Event of Default (as defined below) occurs, any Noteholder may by a written notice to the Issuer declare the outstanding nominal principal amount of such Note together with the interest then accrued on such Note to be prematurely due and payable at the earliest on the tenth (10th) Business Day from the date such notice was received by the Issuer *provided* that an Event of Default is continuing on the date of receipt of the notice by the Issuer and on the specified early repayment date. Interest accrues until the early repayment date (excluding the early repayment date). The Issuer shall notify the Noteholders of any Event of Default (and the steps, if any, taken to remedy it) in accordance with Condition 14 (*Notices*) promptly upon becoming aware of its occurrence.

Each of the following events shall constitute an Event of Default:

- (a) **Non-Payment:** Any amount of interest on or principal of the Notes has not been paid within five (5) Business Days from the relevant due date, unless the failure to pay is caused by a reason referred to in Condition 15 (Force Majeure).
- (b) **Cross Default:** Any outstanding Indebtedness (as defined below) (including any amounts payable under guarantees given by the Issuer) of the Issuer or any of its Material Subsidiaries (as defined below) in a minimum amount of ten million euros (EUR 10,000,000) or its equivalent in any other currency is accelerated prematurely because of default, howsoever described, or if any such Indebtedness is not repaid on the due date thereof or within any applicable grace period after the due date, or if any security given by the Issuer for any such Indebtedness becomes enforceable by reason of an event of default. A Noteholder shall not be entitled to demand repayment

under this sub-Condition (b) if the Issuer has *bona fide* disputed the existence of the occurrence of an Event of Default under this sub-Condition (b) in the relevant court or in arbitration as long as such dispute has not been finally and adversely adjudicated against the Issuer without any appeal period.

“Indebtedness” means, for the purposes of these terms and conditions, interest bearing debt (whether principal, premium, interest or other amounts) in respect of any notes, bonds or other debt securities or any borrowed money or the amount of any liability in respect of any lease contract which would in accordance with generally accepted accounting principles, standards and practices in force from time to time in Finland, including IFRS be treated as a finance or capital lease of the Issuer or any of its Material Subsidiaries.

(c) **Negative Pledge:** the Issuer does not comply with its obligations under Condition 10 (*Negative Pledge*).

(d) **Cessation of Business:** The Issuer ceases to carry on its current business in its entirety.

(e) **Winding-up:** An order is made or an effective resolution is passed for the winding-up (in Finnish “*selvitystila*”), liquidation or dissolution of the Issuer or any of its Material Subsidiaries except for (i) actions which are frivolous (in Finnish “*perusteeton*”) or vexatious (in Finnish “*oikeuden väärinkäyttö*”), or (ii) in the case of a Material Subsidiary, on a voluntary solvent basis.

(f) **Insolvency:** (i) The Issuer or any of its Material Subsidiaries becomes insolvent or is unable to pay its Indebtedness having an aggregate value of not less than ten million euros (EUR 10,000,000) or its equivalent in any other currency as it falls due; (ii) or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors other than the Noteholders in their capacity as such with a view to rescheduling any of its Indebtedness or (iii) an application is filed for it being subject to bankruptcy or re-organisation proceedings (other than for the purposes of a de-merger or other similar corporate reorganisation), or for the appointment of an administrator or liquidator of any of the Issuer’s or its Material Subsidiaries’ assets, save for any such applications that are contested in good faith and as long as such application has not been finally and adversely adjudicated against the Issuer or its Material Subsidiary without any appeal period.

“Group” means for the purposes of these terms and conditions a group (in Finnish *konserni*) within the meaning of Chapter 1, Section 6 of the Bookkeeping Act (1336/1997, as amended) (in Finnish *Kirjanpitolaki*).

“Material Subsidiary” means for the purposes of these terms and conditions, at any time, any Subsidiary of the Issuer:

(a) whose sales or total assets (consolidated in the case of a Subsidiary which itself has Subsidiaries) represent not less than five (5) per cent. of the consolidated sales or the consolidated total assets of the Issuer’s Group taken as a whole, all as calculated by reference to the then most recent audited financial statements of the Issuer’s Group; or

(b) to which is transferred the whole or substantially the whole of the sales or assets and undertakings of a Subsidiary which, immediately prior to such transfer, is a Material Subsidiary.

12. Taxation

All payments in respect of the Notes by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (“**Taxes**”) imposed or levied by or on behalf of Finland or any political subdivision or authority of Finland having power to tax, unless the withholding or deduction of the Taxes is required by law. In such case, the Issuer shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. The Issuer will not be obligated to make any additional payments to the Noteholders in respect of such withholding or deduction.

13. Noteholders' Meeting

- (a) The Issuer may convene a meeting of Noteholders (a “**Noteholders' Meeting**”) to decide on amendments of these terms and conditions or other matters as specified below. EFi must be notified of the Noteholders' Meeting in accordance with the regulations of EFi.
- (b) Notice of a Noteholders' Meeting shall be published in accordance with Condition 13 (*Notices*) no later than ten (10) calendar days prior to the meeting. Furthermore, the notice shall specify the time, place and agenda of the meeting as well as any action required on the part of a Noteholder to attend the meeting. No matters other than those referred to in the notice may be resolved upon at the Noteholders' Meeting.
- (c) Only those who, according to the register kept by EFi in respect of the Notes, were registered as holders of Notes on the fifth (5th) Business Day prior to the Noteholders' Meeting on the list of holders of Notes to be provided by EFi in accordance with Condition 14 (*Notices*), or proxies authorised by such holders of Notes, shall, if holding any of the principal amount of the Notes at the time of the meeting, be entitled to vote at the meeting and shall be recorded in the list of the holders of Notes present in the Noteholders' Meeting.
- (d) Noteholders' Meeting shall be held in Helsinki, Finland, and its chairman shall be appointed by the Issuer.
- (e) Noteholders' Meeting shall constitute a quorum only if two (2) or more Noteholders holding fifty (50) per cent. or more of the principal amount of the Notes outstanding are present in the meeting.
- (f) If, within thirty (30) minutes after the time specified for the start of the Noteholders' Meeting, a quorum is not present, any consideration of the matters to be dealt with at the meeting may, at the request of the Issuer, be adjourned for consideration at a meeting to be convened on a date no earlier than fourteen (14) calendar days and no later than twenty-eight (28) calendar days after the original meeting at a place to be determined by the Issuer. The adjourned Noteholders' Meeting shall constitute a quorum if two (2) or more Noteholders holding ten (10) per cent. or more of the principal amount of the Notes outstanding are present.
- (g) Notice of an adjourned Noteholders' Meeting shall be given in the same manner as notice of the original meeting. The notice shall also state the requirements for the constitution of a quorum.
- (h) Voting rights of Noteholders shall be determined according to the principal amount of the Notes held. The Issuer and any companies belonging to its Group shall not hold voting rights at the Noteholders' Meeting.
- (i) Resolutions shall be carried by a majority of two-thirds (2/3) of the votes cast.
- (j) A representative of the Issuer and a person authorised to act for the Issuer may attend and speak at a Noteholders' Meeting.
- (k) A Noteholders' Meeting is entitled to make the following decisions that are binding on all Noteholders:
 - (i) to change the terms and conditions of the Notes; and
 - (ii) to grant a temporary waiver on the terms and conditions of the Notes.

However, consent of ninety-five (95) per cent. of the aggregate principal amount of the outstanding Notes is required to:

- (iii) decrease the principal amount of or interest on the Notes;
- (iv) extend the maturity of the Notes;
- (v) amend the requirements for the constitution of a quorum at a Noteholders' Meeting; or

- (vi) amend the majority requirements of the Noteholders' Meeting.

The consents can be given at a Noteholders' Meeting or by other verifiable means.

The Noteholders' Meeting can authorise a named person to take necessary action to enforce the decisions of the Noteholders' Meeting.

- (l) Resolutions passed at a Noteholders' Meeting shall be binding on all Noteholders irrespective of whether they have been present at the Noteholders' Meeting.
- (m) Resolutions passed at a Noteholders' Meeting shall be notified to the Noteholders in accordance with Condition 14 (*Notices*). In addition, Noteholders are obliged to notify subsequent transferees of the Notes of the resolutions of the Noteholders' Meeting.

The Issuer shall have the right to amend the technical procedures relating to the Notes in respect of payments or other similar matters without the consent of the Noteholders or a Noteholders' Meeting.

14. Notices

Noteholders shall be advised of matters relating to the Notes by a notice published in Helsingin Sanomat or any other major Finnish daily newspaper selected by the Issuer. Any such notice shall be deemed to have been received by the Noteholders when published in the manner specified in this Condition 14.

Notwithstanding any secrecy obligation, the Issuer shall, subject to the regulations of EFi and applicable laws, be entitled to obtain information of the Noteholders from EFi and EFi shall be entitled to provide such information to the Issuer. Furthermore, the Issuer shall, subject to the regulations of EFi and applicable laws, be entitled to acquire from EFi a list of the Noteholders, provided that it is technically possible for EFi to maintain such a list. The Issuer shall be entitled, at the request of the Issue Administrator, to pass on such information to the Issue Administrator.

Address for notices to the Issuer is as follows:

Finnair Plc
Tietotie 9

Vantaa

FI-01053 FINNAIR

Addresses for notices to the Lead Managers and the Issuer Administrator are as follows:

Danske Bank A/S
c/o Danske Bank Oyj

Debt Capital Markets
Hiililaiturinkuja 2
Helsinki
FI-00075 DANSKE BANK

Pohjola Bank plc
Pohjola Markets
Teollisuuskatu 1 b
Helsinki
FI-00013 POHJOLA

15. Force Majeure

The Issuer, the Lead Managers, the Issue Administrator or the Paying Agent shall not be responsible for any losses of the Noteholders resulting from:

- (a) action of any authorities, war or threat of war, rebellion or civil unrest;
- (b) disturbances in postal, telephone or electronic communications or the supply of electricity which are due to circumstances beyond the reasonable control of the Issuer, the Lead Managers, the Issue Administrator or the Paying Agent and that materially affect operations of any of them;
- (c) any interruption of or delay in any functions or measures of the Issuer, the Lead Managers, the Issue Administrator or the Paying Agent as a result of fire or other similar disaster;
- (d) any industrial action, such as strike, lockout, boycott or blockade affecting materially the activities of the Issuer, the Lead Managers, the Issue Administrator or the Paying Agent even if it only affects part of the employees of any of them and whether any of them is involved therein or not; or
- (e) any other similar force majeure or hindrance which makes it unreasonably difficult to carry on the activities of the Issuer, the Lead Managers, the Issue Administrator or the Paying Agent.

16. Prescription

In case any payment under the Notes has not been claimed by the respective Noteholder entitled to this payment within three (3) years from the original due date thereof, the right to such payment shall be forfeited by the Noteholder and the Issuer shall be permanently free from such payment.

17. Listing and Secondary Market

An application will be made to have the Notes listed on the Helsinki Stock Exchange maintained by NASDAQ OMX Helsinki Ltd.

Offers to purchase and sell Notes may be submitted to the Lead Managers, but the Lead Managers are under no obligation to maintain a secondary market for the Notes.

18. Purchases

The Issuer may at any time purchase Notes in any manner and at any price. If purchases are made by tender, tenders must be available to all Noteholders alike.

The Issuer shall be entitled to cancel, dispose of or hold the Notes purchased in accordance with the first paragraph of this Condition 18.

19. Further Issues

The Issuer may from time to time, without the consent of and notice to the Noteholders, create and issue further notes having the same terms and conditions as the Notes in all respects (except for the first payment of interest on them, the issue price and/or the minimum subscription amount thereof) by increasing the issued and, if needed, also the maximum aggregate principal amount of the Notes or otherwise. For the avoidance of doubt, this Condition 19 shall not limit the Issuer's right to issue any other notes.

20. Information

Copies of the documents relating to the Notes shall be available for inspection during office hours at the office of the Issuer at Tietotie 9, FI-01530 Vantaa, at Danske Bank Oyj, Hiililaiturinkuja 2, FI-00180 Helsinki and at Pohjola Bank plc, Teollisuuskatu 1 b, FI-00510 Helsinki.

21. Applicable Law and Jurisdiction

The Notes are governed by Finnish law.

Any disputes relating to the Notes shall be settled in the first instance at the District Court of Helsinki (*Helsingin käräjäoikeus*). However, any plaintiff that qualifies under Finnish law as a consumer is entitled to proceed at the district court of the plaintiff's domicile.

ANNEX B – ADDITIONAL INFORMATION ON THE ISSUE OF THE NOTES

Decisions and authorisations:	Authorisation of the Board of Directors of the Issuer dated 13 August 2013.
Type of the Issue:	Individual issue of Notes offered mainly to institutional investors. The maximum principal amount of the Notes (EUR 150,000,000) was issued on 29 August 2013.
Interests of the Lead Managers:	Business interest normal in the financial markets.
Form of Notes:	Dematerialised securities issued in book-entry form in the book-entry system maintained by Euroclear Finland.
Depository and Settlement System:	Euroclear Finland, address Urho Kekkosen katu 5C, FI-00100, Helsinki, Finland, RM system of Euroclear Finland.
Listing:	Application has been made to have the Notes listed on the Helsinki Stock Exchange maintained by NASDAQ OMX Helsinki Ltd.
Estimated time of listing:	On or about 2 September 2013.
Estimated net amount of the proceeds:	Approximately EUR 149.3 million.
Estimated cost of issue and listing:	Approximately EUR 0.5 million.
Rate of interest of the Notes:	5.0 per cent per annum.
Effective yield of the Notes on the Issue Date:	5.024 per cent.
Taxation:	<p>If the recipient of interest paid on the Notes is an individual residing in Finland or an undistributed estate of a deceased Finnish resident, such interest is subject to preliminary withholding tax in accordance with the Finnish Withholding Tax Act (Fi: <i>ennakkoperintälaki</i>) (1118/1996, as amended) and final taxation as capital income in accordance with the Finnish Income Tax Act (Fi: <i>tuloverolaki</i>) (1535/1992, as amended). The current rate of withholding tax is 30 per cent. The capital income tax is 30 per cent (32 per cent of the capital income exceeding EUR 50,000), currently. The Finnish Act on Source Tax on Interest Income (Fi: <i>laki korkotulon lähdeverosta</i>) (1341/1990, as amended) is not applicable to the Notes.</p> <p>If the recipient of interest paid on the Notes is a corporation further defined in the Finnish Income Tax Act (Fi: <i>tuloverolaki</i>) (1535/1992, as amended) residing in Finland, such interest is not subject to any preliminary withholding. The interest is subject to final taxation of the recipient in accordance with the Finnish Business Income Tax Act (Fi: <i>laki elinkeinotulon verottamisesta</i>) (360/1968, as amended). The current rate of corporate income tax is 24.5 per cent.</p> <p>In case the subscriber is liable to pay the interest accrued from the Issue Date until the payment date of the subscription, the subscriber</p>

is entitled to deduct the paid interest from the taxable income of the year of subscription.

Payment of interest to a Noteholder, who is neither a resident in Finland nor engaged in trade or business in Finland through a permanent establishment, is not subject to Finnish withholding tax.

The Noteholders are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Notes.

ISIN Code of the Notes:

FI4000068598.

Use of proceeds:

General corporate purposes.

THE ISSUER

Finnair Plc
Tietotie 9 A
FI-01053 FINNAIR
Finland

LEAD MANAGERS

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2-12 Holmens Kanal
DK-1092 Copenhagen
Denmark

Pohjola Bank plc
Teollisuuskatu 1b
FI-00510 Helsinki
Finland

LEGAL ADVISER TO THE COMPANY

Castrén & Snellman Attorneys Ltd
Eteläesplanadi 14
FI-00130 Helsinki
Finland

AUDITOR

PricewaterhouseCoopers Ltd
Itämerentori 2
FI-00180 Helsinki
Finland