INTERIM FINANCIAL REPORT AS OF 30 SEPTEMBER 2011

airberlin
Your Airline.

KEY FINANCIAL FIGURES

	Q3 2011	9M 2011	Q3 2010 reported	9M 2010 pro forma*)	9M 2010 reported
Revenues (EURm)	**1,375.5**	**3,273.3**	1,241.2	2,935.7	2,809.1
thereof: ticket sales (EURm)	**1,218.3**	**2,875.7**	1,151.4	2,700.5	2,576.3
EBITDAR (EURm)	**269.3**	**385.9**	336.4	506.2	504.7
EBIT (EURm)	**96.8**	**(123.7)**	171.7	37.4	44.8
Consolidated profit (loss) (EURm)	**30.2**	**(134.3)**	135.9	(23.7)	(14.6)
Profit (Loss) per share (EUR)	**0.36**	**(1.58)**	1.60	n.a.	(0.17)
Total assets (EURm)	**2,558.4**	**2,558.4**	2,569.1	n.a.	2,569.1
Employees (30 September)	**9,209**	**9,209**	8,934	n.a.	8,934

*) airberlin group including NIKI Luftfahrt GmbH;
n.a.: not available

DISCLAIMER – RESERVATION REGARDING FORWARD-LOOKING STATEMENTS

This interim financial report contains forward-looking statements on airberlin's business and earnings performance, which are based upon our current plans, estimates, forecasts and expectations. The statements entail risks and uncertainties as there are a variety of factors which influence our business and to a great extent lie beyond our sphere of influence. Actual results and developments may, therefore, diverge considerably from our current assumption, which, for this reason, are valid only at the time of publication. We undertake no obligation to revise our forward-looking statements in the light of either new information or unexpected events.

LETTER TO SHAREHOLDERS

Dear Shareholders,

In recent years, airberlin has been concerned primarily with gaining market share. We would not have had a chance in global competition without having first achieved a certain size. Now we are securing our achievements. It is essential that we return to profitability for this to be possible. However, we will not achieve this goal in 2011. This is due to two factors which burden us more heavily than other airlines and over which we have no influence. As the largest German North Africa line, the downturn in tourism following the political unrest in Egypt and Tunisia affects us in particular. Furthermore the aviation tax introduced in Germany at the beginning of the year also burdens us to a significantly above-average extent. Indeed, airberlin is paying EUR 170 million this year alone. Relative to revenue, this is almost four times more than our biggest competitor in Germany! The tax distorts competition, is economically harmful and makes no sense in ecological terms as it does not take CO_2 emissions into account.

In order to return to profitability, we are now implementing our comprehensive efficiency programme “Shape & Size” as our highest priority. In total, we intend to achieve an earnings improvement at the operating level of EUR 200 million starting in the 2012 financial year. The first positive effects of this programme have already been observed in the third quarter of 2011 in terms of yields enhancement. But we will no longer be able to compensate for the aviation tax, exploding fuel prices and lost income from North Africa in 2011.

We are retaining our business model. We are still focussing on business and tourist trav-ellers and continue to offer best service at attractive prices. However, we want to – and have to – concentrate on profitability. Therefore, we are discontinuing unprofitable routes and raising some of our prices. But our ambition to always offer our passengers more will not suffer. In further developing our hubs in Berlin, Düsseldorf, Vienna and Palma de Mallorca we will increase the airberlin network and add new long-haul routes. We will be offering more flights around the world from 2012 thanks to our membership in the **one**world® airline alliance. We already offer joint flights with 7 **one**world® partners (American Airlines, British Airways, Iberia, Finnair, Malév, Royal Jordanian and S7).
We have also agreed codeshares with numerous other airlines.
airberlin is on a good path!

Berlin, November 2011

Hartmut Mehdorn

Hartmut Mehdorn
Chief Executive Officer

THE AIRBERLIN SHARE

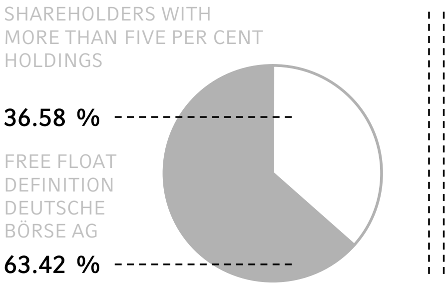
SHARE PRICE PERFORMANCE

The ongoing debt crisis in the eurozone and the increasing indications of a significant slowdown in global economic growth kept the capital markets in suspense and were the main drag for the stock exchanges in the third quarter of 2011. Europe in particular, faced a considerable slowdown in its economic performance. Against the USD, the euro depreciated from 1.450 USD to 1.342 USD. Triggered by rising risk aversion, the yield on German 10 year Bunds declined from 3.01 to 1.86 per cent whereas yields of Government Bonds issued by countries in southern Europe leaped above 6 per cent. The price for brent oil declined to 105.3 USD from 111.8 USD per barrel. Weaker economic perspectives gave cause for growing unease among corporations and consumers.

Consequently, stocks in the aviation sector – which are traditionally highly sensitive to economic trends – declined noticeably over the course of the quarter. airberlin shares followed the industry trend. Starting at EUR 3.00 at the beginning of the quarter and EUR 3.78 on the first trading day of 2011, the shares fell by 9.2 per cent in the reporting quarter and by 28.0 per cent over the first nine months to EUR 2.72 (XETRA). Since, they have tracked sideways. The industry index even shed 21.5 per cent in the third quarter, falling by 19.3 per cent over the nine month period. However, the SDAX price index, which includes airberlin's shares, showed that it was not just economically sensitive stocks that were affected but rather the broader market. In the third quarter, the German small cap index lost 22.9 per cent and after the first nine months, was down 32.3 per cent since the start of the year.

Corporate action

On 1 November 2011, after the end of the reporting quarter, airberlin issued a new bond. Consisting of units of a nominal value of EUR 1,000 each and with a coupon of 11.5 per cent, it was issued at 100 per cent of its nominal value and will be repaid in the amount of 100 per cent of its nominal value on 1 November 2014, subject to early repayment. This represents a major success for airberlin, particularly as the current crisis allows only very limited refinancing options for corporates on the capital markets. airberlin intends to use the net proceeds from the bond's issue to refinance existing liabilities.



SHAREHOLDER STRUCTURE
AT AIR BERLIN PLC
ON 30 September 2011

In particular, it intends to replace the 1.5 per cent convertible bond issued by Air Berlin Finance B.V. in 2007. The convertible bond maturing in 2027 was originally issued at a volume of EUR 220 million, of which a total nominal amount of EUR 136 million is still outstanding.

Coverage

As at the end of the third quarter of 2011, airberlin was being covered by a total of 14 research institutions and brokers. One analyst recommended buying the shares and four rated them neutrally (“hold”, “neutral” or “market weight”). Eight analysts took a sceptical stance (two “underperforms”, one “avoid”, five “sells”) and at one broker the shares were still subject to review as at the end of the quarter.

Changes in voting rights and Directors’ dealings

In the period under review and by the publication time of this report, the company had received the following notices of changes in voting rights in accordance with section 21(1) WpHG:

Date of notification	Name	Reason of notification	Size of stake
20. 09. 2011	Metolius Foundation	Fall below the threshold of 5%	4.9875 %

In the reporting period and by the publication time of this report, the following director dealings were carried out (disclosure in accordance with section 15a WpHG):

Name	Function	Type of transaction Market	Date of transaction	Shares traded	Value (EUR)
Hartmut Mehdorn	Non-Ececutive Director Air Berlin PLC	Purchase XETRA	25.08.2011	125,000	308,750.00
Dr. Hans-Joachim Körber	Non-Ececutive Director Air Berlin PLC	Purchase XETRA	22.08.2011	50,000	137,500.00
Joachim Hunold	Ececutive Director Air Berlin PLC	Purchase Frankfurt	19.08.2011	25,000	60,000.00

Major Shareholders of Air Berlin PLC as of 30 September 2011

ESAS Holding A.S.	16.48 %
Hans-Joachim Knieps	7.51 %
Leibniz-Service GmbH / TUI Travel PLC	6.85 %
Reidun Lundgren (Metolius Foundation, Ringerike GmbH & Co. Luftfahrtbeteiligungs KG)	5.74 %
Werner Huehn	3.82 %
JP Morgan Chase & Co.	3.70 %
Rudolf Schulte	2.93 %
Severin Schulte	2.93 %
Joachim Hunold (CEO Air Berlin PLC untill 31 August 2011; Non-Executive Director Air Berlin PLC from 1 September 2011)	2.67 %
Moab Investments Ltd.	2.39 %
Johannes Zurnieden	1.58 %
Heinz-Peter Schlüter	1.40 %
Dr. Hans-Joachim Körber (Chairman Air Berlin PLC)	0.24 %
Hartmut Mehdorn (CEO Air Berlin PLC from 1 September 2011; Non-Executive Director Air Berlin PLC until 31. August 2011)	0.15 %

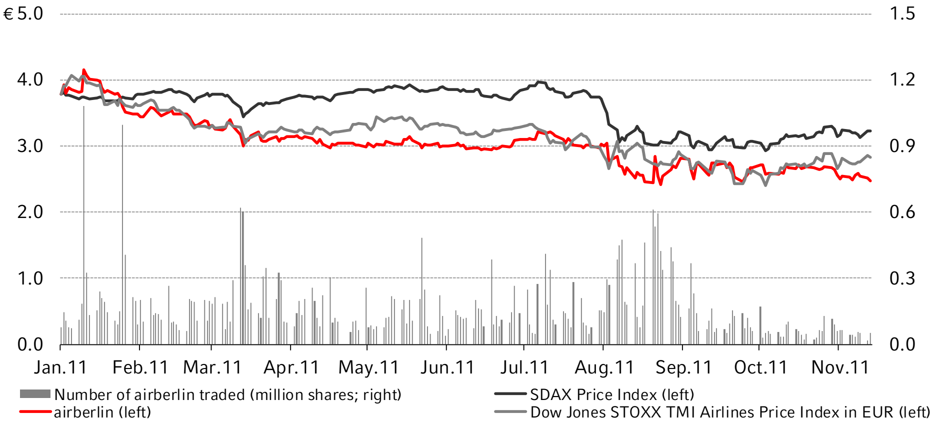
Shareholder structure by nationality as of 30 September 2011

Germany	68.21 %
Turkey	16.48 %
Switzerland	4.92 %
Belgium	3.20 %
USA	2.06 %
Luxemburg	1.57 %
Others	3.57 %
Free float according to the standards of Deutsche Börse	63.42 %

Distribution of share capital as of 30 September 2011

Private stock owners	48.01 %
Investment companies, banks and insurance companies	40.61 %
Other institutional investors and corporations	11.38 %

Relative performance airberlin versus SDAX and Dow Jones STOXX Airlines (based on airberlin)



Source: Reuters

The Air Berlin PLC share in the first nine months of 2011

Share capital:	EUR 21,306,549 and GBP 50,000
Total number of issued and fully paid shares as of 30 September 2011:	85,226,196
Class:	Individual share certificates
Nominal value:	EUR 0.25
Bloomberg symbol:	AB1 GR / AB GY
Reuters symbol:	AB1.DE
ISIN:	GB00B128C026
WKN:	AB1000
Bourses:	Frankfurt/Main, XETRA; Open market: Berlin-Bremen, Dusseldorf, Hamburg, Munich, Stuttgart
Accounting standard:	IAS/IFRS

Market data 9M 2011

Trading segment:	Regulated market (Prime Standard)
Primary industry:	Transport and logistics
Industry group:	Airlines
Indices:	SDAX, Prime All Share, Classic All Share
Designated Sponsors:	Commerzbank AG, Morgan Stanley Bank AG
Market capitalisation as of 30 September 2011:	EUR 231.8 million
Free Float according to Deutsche Börse AG as of 30 September 2011:	63.42 per cent
Capitalisation of free float as of 30 September 2011:	EUR 147.0 million
Average trading volume 9M 2011 (XETRA / all German bourses):	158,426 / 188,827 shares per day

- The shares are officially traded on Xetra as well as on the Frankfurt Stock Exchange and traded on the regulated official markets at the exchanges in Berlin-Bremen, Düsseldorf, Hamburg, Munich and Stuttgart.
- airberlin shares are registered common shares. In accordance with various Air Transport Agreements and EU Directives, entry in an appropriate schedule of names giving information on the distribution of the shares by nationality ensures that a majority of the shares are held by German and European investors. The registry agency is Registrar Services GmbH in Eschborn, Germany.
- "Class A" shares have also been issued.

An overview of current investor relations activities, press, investor and analyst presentations and all other mandatory reports and disclosures can be found on the airberlin investor relations website, **ir.airberlin.com**.

INTERIM MANAGEMENT REPORT

GENERAL CONDITIONS

Global economy

According to the International Monetary Fund (IMF), the global economy is in a "dangerous new phase". After beginning 2011 with a positive undertone, global economic activity is now showing clear signs of weakness. In particular, states the IMF, confidence among market participants has dwindled.

Over the course of the year, the unresolved structural instabilities were added to by external shocks such as the natural disaster in Japan and the political upheaval of the revolution in the Arab world, resulting not least in a further rise in the price of oil. Prices for other commodities have also risen sharply. Furthermore, the eurozone in particular is mired in major financial turbulence, the fundamental problem of high US unemployment went unsolved and the emerging markets, especially China, are also seeing falling growth rates. Consumer confidence and therefore consumer propensity have diminished palpably overall on both sides of the Atlantic in recent months.

After the end of the third quarter of 2011, Europe was back on the brink of recession. In view of this development, the economic indicators were also toned down in Germany: In October, the ifo business climate index for trade and industry fell for the fourth time in a row. Among the individual components, the assessment of the current business situation cooled notably since the middle of the year. Adjusted for inflation, calendar and seasonal effects, production in the manufacturing industry contracted by 2.7 per cent as against the previous month in September, having already slid by 0.4 per cent in the month before. Not least, the 3.6 per cent drop in incoming industrial orders in the third quarter caused expectations for the future of the German economy to be scaled back even more considerably. The latter affected service sector companies in particular.

Air travel sector

Given the global economic downturn, the increase in passenger traffic (measured in terms of revenue passenger kilometres (RPK) in September came as a positive surprise to the International Air Transport Association (IATA). They were up by 2.6 per cent as against the previous month after a significant July-to-August decline of 1.6 per cent. On a global scale, passenger volume rose 5.6 per cent in September 2011 on the same month of the previous year. Growth amounted to 6.3 per cent after the first nine months having been at 6.5 per cent after six months. Thus, growth momentum is diminishing slightly. In terms of available seat kilometres (ASK), airlines expanded their capacity by 6.6 per cent in the first nine months. Accordingly, the seat load factor dropped slightly by 0.3 percentage points in the nine-month period to 78.4 per cent.

According to information from the German Airport Association ADV, passenger growth at airports in Germany has slowed much more significantly over the course of the year. In September, growth was up only 2.6 per cent as against the same month of the previous year. Since the beginning of the year, the year-on-year increase was still 5.8 per cent. Larger airports and those providing a hub function also experienced declining growth rates for the first time. Passenger figures remained flat or even declined at some smaller and medium-sized airports. Furthermore, according to the ADV, growth was exaggerated by the catch-up effect owing to the cancellation of flights and the ash cloud in the previous year.

The downturn in domestic German travel was especially distinct. September saw a drop of 2.3 per cent. In the opinion of the ADV, this shows very clearly the distorting effects on competition of the new aviation tax. The structure of assessment rates has a disproportionately adverse impact on flights within Germany.

KEY EVENTS IN THE QUARTER UNDER REVIEW

8 July 2011: airberlin and Iberia conclude a codeshare agreement, offering their customers selected flights under a joint flight number. This improves connection options to and from Madrid for airberlin passengers. The codeshare also affects the airberlin routes from Berlin, Düsseldorf, Hamburg and Stuttgart to Barcelona, from Düsseldorf to Bilbao and from Cologne/Bonn to Valencia.

19 July 2011: The airberlin Board appoints the President and CEO of the Dutch airline Martinair, Paul Gregorowitsch (55) as a new, fourth member of its Executive Board. Gregorowitsch assumed the position of Chief Commercial Officer (CCO) from September 2011 and is responsible for networks and sales.

21 July 2011: airberlin and American Airlines expand their codeshare agreement for selected flights in the domestic US network from New York, Los Angeles and Miami. airberlin thereby establishes itself as a Florida carrier, now servicing a total of six destinations in Florida. San Juan, Puerto Rico is also among the new codeshare destinations.

10 August 2011: airberlin and the Russian airline S7 expand their codeshare agreement to cover 47 joint routes. As a result, all routes covered by the cooperation are now consistently incorporated as connecting flights in the joint flight network for the first time.

18 August 2011: With "Shape & Size", airberlin introduces an extensive programme to ensure the company's profitable positioning moving forwards. The package of measures include reducing capacity by more than a million seats in the second half of 2011 and thereby downsizing the fleet by eight aircraft, dropping unprofitable routes, cutting back on flight frequency, partially withdrawing from regional airports and concentrating on the hubs of Berlin, Düsseldorf, Palma de Mallorca and Vienna.

18 August 2011: Air Berlin PLC announces that Mr. Joachim Hunold has offered his resignation as the CEO of the company as at 1 September 2011. The Board of Directors accepted this offer with the greatest respect. Mr. Hartmut Mehdorn, a member of the Board of Air Berlin

PLC since 1 July 2009, assumed the function of CEO on an interim basis. Mr. Joachim Hunold will maintain ties with the company as a non-executive director.

29 August 2011: airberlin and American Airlines extend their cooperation agreement by two destinations in Canada. The codeshare now also includes American Airlines flights from New York-JFK to Montreal and Toronto.

1 September 2011: airberlin and the Turkish airline Pegasus conclude a codeshare agreement thereby extending their existing partnership. Effective immediately, passengers flying between Düsseldorf, Cologne/Bonn, Munich, Berlin and Istanbul can book directly with airberlin. Within Turkey, connections from Istanbul to Izmir and to Ankara are available in the codeshare in conjunction with flights from Germany to Istanbul.

7 September 2011: airberlin becomes the first airline to win the ÖkoGlobe in 2011. airberlin received the environmental award for pioneering innovations in sustainable mobility for its "Eco-efficient Flying" corporate programme. The programme features a catalogue of measures in the fields of flight operations, technology, operations and controlling to save fuel and avoid ecologically harmful emissions. The catalogue of measures is the result of cross-departmental coordination at airberlin that was first implemented in 2008 and is now operated on an ongoing basis. The outstanding examples of emissions cutbacks include reducing weight on board airberlin aircraft.

BUSINESS PERFORMANCE

Report on the operating performance

The operating performance of the airberlin group is presented below for the first nine months of 2011 on the basis of comparable figures (pro forma). Figures for the entire previous year include the Austrian subsidiary NIKI Luftfahrt GmbH which was consolidated at the start of the third quarter of 2010. The information for the third quarter of 2011 can therefore be compared directly with the prior-year figures.

In the third quarter, the number of passengers (pax) rose by a total of 1.6 per cent from 11,079,972 to 11,252,325 as against the same period of the previous year. In the first nine months, passenger figures rose comparably by 4.0 per cent from 26,604,510 to 27,675,491.

The “Shape & Size” optimisation programme launched in August already had a visible impact in the reporting quarter. Capacity (number of seats available) was scaled back by 0.5 per cent to 13.37 million from 13.44 million seats in the same period of the previous year. Total capacity in the first nine months of 2011 still rose by 0.7 per cent to 35.19 million after 34.93 million in the same period of the previous year. The seat-load factor increased accordingly in the quarter under review by 1.71 percentage points to 84.14 per cent and, in the first nine months, by 2.48 percentage points to 78.64 per cent.

The number of flights declined by 1.5 per cent in the reporting quarter from 80,317 to 79,154. After nine months, the number of flights increased by 0.5 per cent year-on-year from 209,602 to 210,574. The average flight length was almost unchanged in the reporting quarter, in the first nine months it was 2.4 per cent above last year’s level. The number of flight hours rose by 0.5 per cent from 140,372 to 141,013 in the third quarter and by 2.3 per cent from 358,395 to 366,517 in the first three quarters.

At 18.56 billion, the number of available seat kilometres (ASK) in the reporting quarter increased by 1.6 per cent from 18.28 billion. In the first nine months, ASK rose by 3.2 per cent from 46.44 billion to 47.92 billion. As in the last two quarters, there was also significant growth in revenue passenger kilometres (RPK) in the third quarter: After increases of 19.2 per cent in the first quarter and 16.4 per cent in the second, the third quarter posted a rise of 8.9 per cent from 15.10 billion in the same quarter of the previous year to 16.44 billion. In the first nine months, RPK increased by 14.0 per cent year-on-year from 35.58 billion to 40.56 billion.

Flight revenue per pax increased by 8.6 per cent in the reporting quarter from EUR 103.92 in the same quarter of the previous year to EUR 112.85. In the first nine months it rose by 6.9 per cent to EUR 108.46 after EUR 101.51. Total revenue per pax increased in the quarter under review by 7.7 per cent from EUR 112.02 to EUR 120.64. In the first nine months it rose by 7.2 per cent to EUR 118.27 after EUR 110.35. Total revenue per ASK amounted to 7.41 euro cents in the reporting quarter after 6.83 euro cents, an increase of 8.1 per cent. In the first nine months it rose by 4.0 per cent from 6.32 euro cents in the same period of the previous year to 6.57 euro cents.

Total revenue per RPK was 8.37 euro cents in the reporting quarter after 8.24 euro cents last year. In the nine month period it fell to 8.07 euro cents from 8.25 euro cents. This unsatisfactory trend reflects the tough price competition that has persisted in the industry throughout the 2011 financial year to date and the drop in business in North Africa. The latter did not significantly improve in the reporting quarter. Furthermore, the German aviation tax in effect since the start of the year was yet again not fully passed on in the third quarter.

By contrast, there has been a more positive development in costs over the course of the year – apart from the drastic rise in fuel prices that also continued in the reporting quarter and the aviation tax introduced at the start of the year. Excluding these factors, operating costs per ASK at EBITDAR level increased by 4.9 per cent in the reporting quarter to 3.96 euro cents per ASK after 3.78 euro cents; in the first nine months there was an increase of 2.5 per cent from 4.02 euro cents to 4.12 euro cents.

However, fuel costs per ASK surged by 31.4 per cent in the reporting quarter (1.73 after 1.32 euro cents) and by 26.8 per cent in the first nine months (1.66 after 1.31 euro cents). The aviation tax amounted to EUR 126.0 million in the nine-month period.

Thus, the total costs per ASK at EBITDAR level were up by 17.2 per cent from 5.09 euro cents to 5.97 euro cents in the reporting quarter and by 13.4 per cent from 5.32 euro cents to 6.04 euro cents in the first nine months.

Key operating figures for Q3 2011

	+/- per cent	Q3 2011	Q3 2010
Aircraft (as of 30 September)	+1.8	**170**	167
Flights	-1.5	**79,154**	80,317
Destinations	+4.9	**171**	163
Passengers (million)	+1.6	**11.25**	11.08
Available seats (million; Capacity)	-0.5	**13.37**	13.44
Available seat-kilometres (millions; "ASK")	+1.6	**18,562**	18,279
Revenue passenger kilometres (millions; "RPK")	+8.9	**16,440**	15,068
Passenger load factor (per cent; Pax/capacity)	+1.71*	**84.14**	82.43
Number of block hours	+0.1	**161,461**	161,253

* per centage points
Q3 2010 as reported

Key operating figures for 9M 2011

	+/- per cent	9M 2011	9M 2010
Aircraft (as of 30 September)	+1.8	**170**	167
Flights	+0.5	**210,574**	209,602
Destinations	+4.9	**171**	163
Passengers (million)	+4.0	**27.68**	26.60
Available seats (million; Capacity)	+0.7	**35.19**	34.93
Available seat-kilometres (millions; "ASK")	+3.2	**47,915**	46,437
Revenue passenger kilometres (millions; "RPK")	+14.0	**40,557**	35,580
Passenger load factor (per cent; Pax/capacity)	+2.48*	**78.64**	76.16
Number of block hours	+1.8	**420,623**	413,063

* per centage points
9M 2010 pro forma

Fleet airberlin group

	Number end of 9M 2011	Number end of 9M 2010
A319	**11**	18
A320	**47**	49
A321	**14**	11
A330-200	**12**	10
A330-300	**3**	3
B737-700	**26**	26
B737-800	**40**	36
Q400	**10**	10
E-190	**7**	4
Total	**170**	167

Report on results

The following report on results for the first nine months of the current financial year is presented on the basis of comparable figures, i.e. the previous year's figures have been adjusted (pro forma comparison) and include the figures from the Austrian subsidiary NIKI Luftfahrt GmbH, which was consolidated at the beginning of the third quarter of 2010. The information for the third quarter of 2011 can therefore be compared directly with the prior-year figures. In the table on page 20, the figures for the the first nine months of 2011 are compared with the previous year's figures on a pro forma basis and as originally reported. The examination of the revenue development includes the aviation tax levied in Germany for the first time from the beginning of the current year. It amounted to EUR 51.6 million in the quarter under review and EUR 126.0 million in the first nine months of 2011.

Consolidated revenue increased by 10.8 per cent from EUR 1,241.2 million in the same period of the previous year to EUR 1,375.5 million in the quarter under review. Flight revenue (charter plus single seat tickets) climbed by 5.8 per cent to EUR 1,218.3 million after EUR 1,151.4 million in the same quarter of the previous year. A rise in single seat tickets of 9.6 per cent (EUR 799.0 million after EUR 729.3 million), was partly offset by a slight drop in charter sales of 0.7 per cent (EUR 419.3 million after EUR 422.2 million). While the charter market situation eased somewhat over the second quarter as against the first, the persistently low volumes for North Africa destinations were compounded by poor weather conditions in classic holiday regions in the south of Europe in the third quarter. The North Africa destinations are almost exclusively served by charter companies. If these flights had not been cancelled, the charter revenue would have risen in all three quarters of the current financial year. airberlin responded to the development in North African flight traffic and canceled more than 900 flights in the third quarter 2011. This is a 27.3 per cent decline compared to last year.

Consolidated revenue increased by 11.5 per cent from EUR 2,935.7 million to EUR 3,273.3 million in the first nine months of 2011. Flight revenue climbed by 6.5 per cent to EUR 2,875.7 million after EUR 2,700.5 million, with revenue from single-seat sales rising by 10.5 per cent to EUR 1,939.4 million after EUR 1,755.9 million and charter revenue decreasing by 0.9 per cent to EUR 936.3 million after EUR 944.6 million.

In the quarter under review, revenue from ground and other services rose by 20.7 per cent from EUR 77.7 million to EUR 93.8 million. Revenue from in-flight sales contracted slightly by 2.2 per cent from EUR 12.1 million to EUR 11.8 million. Other operating income, which was not material in absolute terms, fell considerably from EUR 26.3 million to EUR 1.6 million. The main factors influencing this were the loss of income from disposals of assets generated in the same period of the previous year (EUR 7.5 million) and the eligible amount of old shares following the inclusion in consolidation of the Austrian airline NIKI Luftfahrt GmbH. Thus, total operating performance in the third quarter of the current financial year increased by 8.6 per cent to EUR 1,377.1 million as against EUR 1,267.5 million in the same period of the previous year.

In the first nine months, revenue from ground and other services rose by 17.0 per cent from EUR 205.9 million to EUR 241.8 million. In-flight sales generated revenue of EUR 29.7 million, up 1.4 per cent from EUR 29.3 million. Other operating income declined from EUR 42.6 million to EUR 5.9 million in the nine-month period. Total operating performance for the first nine months of 2011 climbed by 10.1 per cent from EUR 2.978.3 million to EUR 3,279.2 million.

As in the first half of the year, operating expenses rose strongly by 16.8 per cent from EUR 1,095.8 million in the previous year to EUR 1,280.3 million in the quarter under review. Within costs of materials and services, which were up by 19.8 per cent from EUR 815.5 million to EUR 977.1 million, fuel costs again surged by 33.4 per cent from EUR 240.6 million to EUR 320.9 million. On a comparable basis, i.e. excluding the aviation tax, the ratio of cost of fuel to flight revenue increased from 20.9 per cent in the same quarter of the previous year to 26.3 per cent. Airport fees rose slightly to EUR 278.5 million as against EUR 272.3 million.

Adjusted for the external cost factors of fuel, airport fees and aviation tax, the cost of materials and services increased by 7.7 per cent. As a result of the growth of the leased fleet in the past financial year, lease expenses climbed by 7.3 per cent from EUR 141.6 million to EUR 152.0 million. Currency effects also played a certain role in this as lease expenses are incurred in USD.

In the first nine months of the year, operating expenses grew by 15.7 per cent from EUR 2,941.0 million in the previous year to EUR 3,402.9 million. Costs of materials and services increased by 20.1 per cent from EUR 2,103.3 million to EUR 2,525.5 million, with fuel costs climbing by 30.8 per cent from EUR 606.7 million to EUR 793.6 million. Airport fees rose to EUR 710.8 million after EUR 688.6 million and lease expenses were up from EUR 390.4 million to EUR 446.6 million.

As in the previous quarters of the current financial year, the success of ongoing cost containment measures can be seen in other expense items in the reporting quarter. At EUR 121.4 million, staff costs were only 1.8 per cent higher in the reporting quarter than in the same quarter of the previous year (EUR 119.3 million). In line with the greater use of leases, depreciation and amortisation expense was down from EUR 23.1 million to EUR 20.5 million. Other operating expenses rose by 17.0 per cent from EUR 137.9 million to EUR 161.3 million, driven mainly by higher expenses for technical services. Adjusted for these, the increase would have amounted to 7.7 per cent.

In the first nine months, staff costs remained virtually flat at EUR 352.4 million after EUR 351.2 million, depreciation and amortisation expenses declined from EUR 78.4 million to EUR 63.0 million and other operating expenses climbed by 13.2 per cent from EUR 408.1 million to EUR 461.9 million. Here, too, expenses for technical services were the main cost driver with growth of 18.6 per cent from EUR 144.5 million to EUR 171.4 million.

In the quarter under review, the operating result before depreciation and lease expenses (EBITDAR) was once again negatively influenced by the unfavourable impact on revenue development resulting from political unrest in North Africa on the one hand and, on the other, by the substantial increase in major expense items that cannot be influenced by airberlin or completely passed on to customers. Accordingly, EBITDAR fell to EUR 269.3 million as against EUR 336.4 million in the same quarter of the previous year. At EUR 117.3 million, EBITDA after lease expenses was down from EUR 194.8 million in the same period of the previous year. EBIT amounted to EUR 96.8 million after EUR 171.7 million.

In the first nine months, EBITDAR amounted to EUR 385.9 million as against EUR 506.2 million, EBITDA was EUR –60.7 million following EUR 115.8 million and EBIT was EUR –123.7 million after EUR 37.4 million.

The net finance costs for the third quarter of 2011 amounted to EUR 41.6 million as against EUR 3.4 million in the same quarter of the previous year. Essentially, as a result of lower costs for financial liabilities, the interest expense declined from EUR 22.0 million to EUR 19.7 million. This was offset by significantly higher expenses from the regularly volatile effects of the fair value measurement of derivatives and currency effects (EUR –24.3 million combined after EUR 15.7 million). The line item “Income (expense) from associates” is now no longer recognised but last year amounted to EUR –3.3 million. Earnings before taxes in the reporting period therefore totalled EUR 55.2 million after EUR 165.0 million. After taxes of EUR 25.0

million (previous year: EUR 29.1 million), net earnings totalled EUR 30.2 million as against EUR 135.9 million in the same period of the previous year.

Net finance costs for the first nine months of 2011 amounted to EUR 74.4 million after EUR 77.8 million. Taking into account contributions from associates that were again immaterial in this period, earnings before taxes amounted to EUR –197.9 million after EUR –40.6 million. After tax income of EUR 63.7 million (previous year: EUR 16.8 million), net earnings totalled EUR –134.3 million as against EUR –23.7 million.

Earnings per share for the third quarter of 2011 were EUR 0.34 diluted and EUR 0.36 basic as against EUR 1.15 diluted and EUR 1.60 basic in the previous year. After nine months, these figures were EUR –1.58 both basic and diluted as against EUR –0.17 last year. The figures for earnings per share for the previous year are consistent with those originally reported and were not calculated on a pro forma basis.

Pro forma consolidated income statement 9M 2011

In EUR million	reported 1/11-9/11	pro forma 1/10-9/10	reported 1/10-9/10
Single-seat ticket sales	1,939.4	1,775.9	1,685.6
Charter sales	936.3	944.6	890.8
Onboard sales	29.7	29.3	28.3
Ground services / others	241.8	205.9	204.5
Aviation tax	126.0	0	0
Total revenue	**3,273.3**	**2,935.7**	**2,809.1**
Other operating income	**5.9**	**42.6**	**42.9**
Expenses for materials and services	(2,525.5)	(2,103.3)	(1,996.0)
thereof leasing expenses	(446.6)	(390.4)	(388.4)
Expenses for materials and services before leasing	**(2,078.9)**	**(1,712.9)**	**(1,607.5)**
Personnel expenses	**(352.4)**	**(351.2)**	**(349.1)**
Depreciation	**(63.0)**	**(78.4)**	**(71.5)**
Other operating expenses	**(461.9)**	**(408.1)**	**(390.6)**
Operating expenses before leasing and depreciation	**(2,893.3)**	**(2,472.2)**	**(2,347.2)**
EBITDAR	**385.9**	**506.2**	**504.7**
EBITDA	**(60.7)**	**115.8**	**116.3**
EBIT	**(123.7)**	**37.4**	**44.8**
Net financing costs	(74.4)	(77.8)	(76.0)
Share of profit of associates	0.1	(0.2)	(0.2)
Loss before tax	**(197.9)**	**(40.6)**	**(31.5)**
Income tax benefit	63.7	16.8	16.8
Loss for the period	**(134.3)**	**(23.7)**	**(14.6)**

Report on net assets, financial position, capital expenditure and financing

The following presentation discusses the balance sheet positions reported as at 30 September 2011 and 31 December 2010. These have the same scope of consolidation and can thus be compared.

Consolidated total assets as at the end of the first nine months of the 2011 financial year increased by 7.9 per cent as against 31 December 2010 to EUR 2,558.4 million. This figure is down slightly on 30 June 2011. Non-current assets totalled EUR 1,581.6 million, up 4.7 per cent as against the end of the 2010 reporting period. A majority of this increase is due to higher deferred taxes and prepaid expenses while non-current receivables were reduced. Current assets rose by 13.7 per cent to EUR 976.7 million. This is essentially due to higher trade receivables as a result of business operations. Cash and cash equivalents remained at a high level. As against the end of the 2010 reporting period, they were up by 1.3 per cent from EUR 411.1 million to EUR 416.5 million.

Due to the loss reported for the first nine months, equity declined by 27.1 per cent in the period from EUR 505.3 million as at the end of the 2010 reporting period to EUR 368.6 million. It rose by EUR 60.2 million as against 30 June 2011. The development of equity in 2011 has essentially been defined by the very weak first quarter with its extraordinary effects such as the unrest in North Africa. Moreover, the normal seasonal recovery in the summer months was much less pronounced than usual. Not least, factors contributing to this included the additional expense of the competition-distorting German aviation tax that – given the tough price competition – was impossible to fully pass on to customers. As at 30 September 2011, the equity ratio was 14.4 per cent after 11.7 per cent as at 30 June 2011. It had been 21.3 per cent as at 31 December 2010.

Non-current liabilities rose by 3.0 per cent as against the end of 2010 from EUR 944.7 million to EUR 972.9 million. This was mostly due to the higher financial liabilities from aircraft financing while financial liabilities to banks were on the decline. Non-current trade payables expanded in line with the growth in business from EUR 73.3 million to EUR 93.2 million. After rising in the second quarter, the long-term negative market value of derivatives declined again in the reporting quarter and, at EUR 20.9 million, was down as against the end of the 2010 financial year (EUR 25.9 million).

Advanced payments received decreased following the seasonal high as at the end of the first six months (EUR 536.6 million) and, at EUR 370.1 million as at 30 September 2011, were up 15.1 per cent as against the end of the 2010 financial year (EUR 321.5 million). In total, current liabilities after the first nine months of 2011 amounted to EUR 1,216.9 million, up 32.3 per cent on the end of the 2010 reporting period (EUR 920.1 million).

Net cash flow from operating activities after interest and taxes paid/received amounted to EUR –13.9 million after the first nine months of the current financial year. In spite of a considerable decline in net interest payments the cash outflow on the orerating level was essentially caused by the unsatisfactory result of operations. After capital expenditure and advance payments in non-current assets (mainly aircraft) of EUR 148.8 million, net cash used in investing activities amounted to EUR –100.2 million as the proceeds from the disposal of non-current assets in the amount of EUR 48.6 million was used to finance the corresponding investments. As the net total of borrowings and the repayment of financial liabilities, cash flow generated by financing activities amounted to EUR 120.9 million. This includes the inflow from the issue of a bond of EUR 150 million issued on 19 April 2011 and maturing in 2018 less transaction costs of EUR 5.2 million. As at the end of the reporting quarter, net cash and cash equivalents rose by 1.2 per cent to EUR 414.5 million as against EUR 409.7 million at the end of the 2010 financial year.

EMPLOYEES

At the end of the first nine months of 2011, the airberlin group employed 9,209 staff, compared with 8,934 at the end of the corresponding quarter of 2010 and 8,900 at the end of 2010. Of these, 4,310 employees (end of 2010: 4,169) were employed as ground staff and 4,899 (end of 2010: 4,731) were part of the flying crew. The flying crew consisted of 3,497 cabin crew and 1,402 cockpit crew (end of 2010: 3,361 and 1,370, respectively). As at 30 September 2011, there were 142 young people in training at airberlin (end of 2010: 132).

OPPORTUNITIES AND RISKS

Industry risks

The risks discussed in the risk report in the annual report for the 2010 financial year are still relevant to the aviation industry in general and to low-cost carriers in particular.

After the global recession triggered by the financial market crisis was temporarily overcome, the risks of backsliding into recession have increased significantly in a number of industrialised countries. The interest rate cut by the European Central Bank at the start of November was due in particular to the weak economic outlook for the eurozone. Thus, the global economic risks, particularly the problems of the debt crisis and dwindling confidence among consumers and corporates are still virulent. Therefore, the risks to the development of the profitability and financial situation of the aviation industry and airberlin remain.

The strong rise in commodities prices continues to be an additional burden for the global economy and doubly so for the aviation industry in particular. In addition to their effect as a direct cost factor in flight operations, rising commodities prices also above all affect private households and therefore their consumer behaviour and inclination to book flights.

The economic performance of the German market, which is important to airberlin, has remained robust by international standards. The recovery of the German market has grown stronger on the basis of rising employment and stable consumer spending. However, economic warning signals have recently gained the upper hand in the form of significant downturns in future expectations. The economic situation in most other areas of the European market is even much weaker. Accordingly, airberlin is paying close attention to this development. One gratifying exception to this is Turkey – a market of rising importance to airberlin's business. Growth here is being driven by a robust domestic economy.

In addition to the economic risks, there are particular risks to earnings such as the aviation tax. It is not possible to allocate this in full to ticket prices on account of the harsh competition on the German market and the uneven distribution among market participants. This also applies to the sharp rise in fuel prices. Here, too, there are strict limits to the extent these rising costs can be passed on.

airberlin's business development continued to be impacted by the political upheaval in North Africa, particularly at the tourist destinations of Egypt and Tunisia. The events in North Africa have had a negative impact on bookings, especially to Egypt. airberlin has responded to this development by scaling back the density of its North Africa services.

Financial risks

The financial risks discussed in the 2010 annual report essentially apply to the current financial year as well. airberlin still uses the same instruments described there to manage these risks effectively. One of the main financial risks is still the foreign currency risk, which must be considered when procuring fuel particularly on account of the high correlation between prices for aviation fuel and crude oil, which is quoted in US dollars. airberlin hedges the majority of its currency risk on a rolling twelve-month basis. airberlin counters the risk of price fluctuations when procuring fuel, which are hard to calculate, by using extensive hedging transactions. This practice will continue.

Purchasing risks

In addition to the commercial criteria considered when selecting fuel suppliers, airberlin checks the ability of all fuel suppliers at a given airport to provide a stable supply. Moreover, airberlin monitors compliance with quality standards for jet fuel storage and into-plane fuelling as per IATA Fuel Quality Pool guidelines.

OUTLOOK

Overall economic and industry environment

The growth prospects for the global economy have continued to deteriorate significantly in recent months. Indeed, the main risks to economic development, such as high public debt and the budget deficits in a number of industrialised nations, have even increased. The public debt crisis is threatening to develop into a new banking crisis. In particular, this is affecting the banks in the problem countries of the euro area.

The leading indicators in Europe have been sending clear economic warning signals for several months: The ifo indicator for the economic climate in the euro area fell in the third quarter of 2011 for the first time since the start of 2009. This development has continued further in the fourth quarter. The indicator is now well below its long-term average. Both the assessments of the current situation and expectations for the next six months have deteriorated considerably as against the third quarter of 2011. The results indicate that the economic down-turn in the euro area will continue.

In the opinion of the EU Commission, growth in Europe has come to a standstill and there is a risk of renewed recession. The Commission is now forecasting growth in the eurozone for the coming year of only 0.5 per cent after 1.5 per cent in the current year. In the current fourth quarter of 2011, the Commission expects that GDP of the 17 euro nations will even shrink by 0.1 per cent in total as against the three previous months. At 0.0 per cent, stagnation is antici-pated for the first quarter of the coming year.

Sentiment indicators have also undergone a clear downturn in Germany in recent months. The ifo business climate for industry has deteriorated significantly since July; September saw the third consecutive drop. Expectations for the future, which have been declining slightly since February, recently showed a significantly accelerated downward trend.

In their joint diagnosis, the leading German economic research institutes have concluded that the greatly increased uncertainty will dampen the previously robust German domestic demand. The institutes are forecasting that gross domestic product will rise by 2.9 per cent this year and by only 0.8 per cent next year. They see the biggest risk in an escalation of the European debt and confidence crisis, as a result of which financing conditions could worsen significantly for the economy. In its autumn projection, the German government is forecasting an increase in real gross domestic product of 2.9 per cent in the current year and only 1 per cent in the next year.

Despite the unexpected recovery, IATA remains sceptical regarding the further development of the international aviation industry. The organisation's most recent survey revealed significantly lower profit forecasts for the next twelve months. In addition, projections for rising unit costs leave little room for optimism in the development of yields for passenger traffic. The majority of member companies do not anticipate an improvement in this regard. IATA forecasts a decline in industry profits from USD 6.9 billion in the current financial year to USD 4.9 billion in 2012. This would correspond to a margin of only 0.8 per cent.

Mid-year, the German airport association (ADV) still projected passenger growth of approximately five per cent at German airports for 2011 as a whole. Presenting its Q3 traffic statistics at the end of October, the ADV stated that this would no longer be possible. For the remaining months of the year and for next year, the ADV is forecasting further contraction in passenger growth in a more difficult overall economic environment.

Business development

In October 2011, the number of passengers decreased to 3,345,832 from 3,490,259 in October 2010 . This corresponds to a reduction of 4.1 per cent. This is due to the deliberate reduction in capacity of 3.4 per cent. Fleet capacity utilisation decreased by 0.6 percentage points to 79.7 per cent, just under the previous year's level of 80.3 per cent. Thus, in the first ten months of 2011, airberlin carried a total of 31,021,323 passengers, 3.1 per cent more than in the same period of the previous year (30,094,769 pas-sengers). Fleet utilisation improved by 2.1 percentage points over the ten-month period from 76.6 per cent to 78.7 per cent. Cumulative capacity increased slightly by 0.3 per cent. This development confirms the trend of the first nine months. The high fuel prices and aviation tax lastingly exacerbated the competitive situation once again.

The aviation tax also has a distorting effect on competition for several reasons. Firstly, airlines such as airberlin are discriminated against, as our relatively large number of domestic German flights and flights to European destinations taking off from German airports are particularly burdened by this tax. Secondly, airports near borders in Germany and airlines that serve these airports are discriminated against, as passengers can very easily be lured away by airports and airlines in neighbouring countries. This especially affects the German airports near the Bene-lux conurbation area. Fourthly, smaller German airports that are largely dependent on domestic German flights are particularly affected. airberlin also feels forced into discontinuing such destinations. They can no longer be viably served because the aviation tax cannot be passed on to the passengers in the ticket prices. Fifthly, especially price-conscious customers are reacting to the tax with declining demand. airberlin has already provided for this drop in demand with the capacity adjustments made to date.

Destinations that become unprofitable will be systematically closed. These measures are also a part of the current top priority efficiency programme “Shape & Size”. In addition to network optimisation, the main goals of this programme include improving all processes, optimising the entire Company organisation and thereby reducing complexity overall. We are seeking a total improvement in operating earnings in the amount of EUR 200 million with the programme.

A key component of the optimisation of the airberlin flight network is the adjustment of the fleet. As described above, route optimisation pertains mostly to connections between smaller airports, but also to other destinations such as those in North Africa. Capacity for the winter time table 2011/2012 will be reduced by 7.6 per cent or 1.48 million seats compared to the previous year. The summer time table 2012 will see a capacity reduction of 3.1 per cent or 0.81 million seats. It is planned among other things, to reduce the fleet from currently 170 aircraft to 152 in summer 2012. However, flight performance will decline by only four per cent, in order to increase productivity per aircraft.

In this context and as part of the optimisation of fleet requirements in light of current market conditions, we have reached an agreement with the aircraft manufacturers Airbus and Boeing on order book optimisation. This agreement relates to Boeing aircraft from the 737 family and Airbus aircraft from the A320 family. Thereafter, some of the deliveries for 2012 and 2013 will be postponed to 2015 and 2016 in order to adjust airberlin's capacity growth in line with the "Shape & Size" earnings enhancement programme. The delivery of a total of 19 aircraft will be postponed in 2012 and 2013, which means that 31 planes instead of the origi-nally planned figure of 50 will be delivered to airberlin. In particular, the optimisation of the order books will provide some relief for the Company in the years 2012 to 2014 and secure the delivery of new aircraft through to 2016.

At the same time, on the basis of current average list prices, investment requirements will be reduced in the amount of USD 508 million in 2012 and USD 1,128.4 million in 2013. The agreements for the future fleet also support "Shape & Size" thanks to a more efficient fleet structure and improved fleet productivity in accordance with optimised capacity growth.

A further aim of "Shape & Size" is to adjust the frequency of those flights with currently insufficient capacity utilisation. At the same time, and as previously reported, we will focus even more on our heavily travelled routes, generate additional feeder services for our four European hubs in Berlin, Düsseldorf, Vienna and Palma de Mallorca and thereby improve their capacity utilisation. Long-haul flights will be bundled at two hubs in cooperation with our **one**world® partners.

Although total revenues are expected to exceed the previous year's level, airberlin will not be able to return to positive EBIT figures in the current financial year. In light of the current volatile economic development, a further statement with respect to airberlin's performance in 2011 is currently difficult to make. Even though "Shape & Size" may cause additional restructuring costs in 2011, earnings next year will benefit from the implementation of the programme.

EVENTS AFTER THE REPORTING DATE

7 October 2011: airberlin and the Hungarian airline Malév began offering their customers selected flights under a joint flight number in future. Effective immediately, airberlin flights from Berlin, Hamburg, Stuttgart, Frankfurt and Zurich to Budapest can be booked with Malév. Travellers from Germany can fly non-stop to the Hungarian capital. Malév passengers benefit from airberlin's extensive domestic German and European network and can, for example, connect to Düsseldorf and Oslo.

18 October 2011: From the start of its summer schedule in May 2012, airberlin will be flying non-stop from Berlin to Los Angeles for the first time, connecting the German capital with the US west coast three times a week. Thus, airberlin will be the only airline to fly non-stop between Berlin and Los Angeles.

19 October 2011: In preparation for becoming a member of the **one**world® alliance, airberlin expands its range in Eastern Europe. In its 2011/12 winter schedule, airberlin and NIKI are offering a coordinated service to the growth markets of Romania, Bulgaria and Serbia for the first time. The capitals of Bucharest, Sofia and Belgrade will connect to the hub in Vienna with up to three flights per day. Flights to Russia will be further improved. airberlin will also step up its operations in Poland. From 1 May 2012, flights to Krakow will be increased threefold and Gdansk routes will be added to the Berlin hub.

25 October 2011: In light of the current market environment and the resulting changes in new aircraft requirements, airberlin has reached an agreement with the manufacturers Airbus and Boeing on order book optimisation. The agreements provide for some of the new aircraft deliveries to be postponed from 2012 and 2013 to 2015 and 2016 in order to adjust airberlin's capacity growth in line with the "Shape & Size" earnings enhancement programme.

25 October 2011: Air Berlin PLC releases an ad hoc disclosure on its intention to issue a new bond of initially up to EUR 100 million.

27 October 2011: airberlin Turkey begins flying between Antalya and Germany on 1 November 2011. From the launch of its winter schedule and as part of a charter partnership, airberlin and

the Turkish airline Pegasus are initially using two Boeing 737-800s to fly holidaymakers from Germany to Antalya. The aircraft have their own branding: The word “Turkey” appears above the airberlin logo.

28 October 2011: The order book for the bond issued by Air Berlin PLC on 26 October is closed and the subscription period ended as the order volume exceeds the issue amount of EUR 100 million.

30 October 2011: airberlin and Royal Jordanian are to cooperate as codeshare partners in the future. airberlin will fly passengers from Berlin, Frankfurt, Munich and Vienna to the Jordanian capital of Amman from the launch of its winter schedule. In return, passengers of the Jordanian airline can book a number of domestic German and European airberlin routes under the Royal Jordanian flight number.

2 November 2011: For the first time in the history of the airline alliance, airberlin is the first airline to be featured in posters and adverts together with oneworld® before becoming a full member. With the aim of announcing airberlin’s forthcoming membership in the alliance, a joint campaign with the slogan “Departure 2012 – airberlin and oneworld take off for a shared future” is now underway in Germany.

3 November 2011: Helmut Himmelreich has been appointed as the new Chief Operating Officer (COO) of Air Berlin PLC from the start of the 2012 financial year. He has been airberlin’s Chief Maintenance Officer since March 2010. He will be replaced in this position by his deputy Marco Ciomperlik, who was already a member of management at airberlin technik in recent years. Helmut Himmelreich was the technical director at Swiss International Airlines Ltd. between 2003 and 2007 and in this position responsible for international procurement, engineering and planning. At the same time, he was the deputy COO for cockpit, cabin and traffic control. Prior to this, Helmut Himmelreich had already held various positions at LTU for 25 years. Christoph Debus, a member of the Executive Board of Air Berlin PLC since June 2009, will leave airberlin effective 31 December 2011.

8 November 2011: The founder of the Austrian airline NIKI Luftfahrt GmbH, Andreas Nikolaus (Niki) Lauda, was appointed to the Board of Air Berlin PLC as a non-executive director. Air Berlin PLC has held 49.9 per cent of shares in NIKI Luftfahrt GmbH since July 2010. airberlin, Privatstiftung Lauda and Niki Lauda came to an agreement that Privatstiftung Lauda will withdraw from NIKI Luftfahrt GmbH. Privatstiftung Lauda's exit will be effected in a timely manner by a company law restructuring, in which Privatstiftung Lauda will repay the loans granted to it by airberlin by transferring its 50.1 per cent interest in NIKI Luftfahrt GmbH.

In the future, Austrian control and majority ownership of NIKI Luftfahrt GmbH will be ensured by a new, purely Austrian private foundation that holds a majority share in NIKI Luftfahrt GmbH. No cash will change hands in connection with the transfer of the 50.1 per cent share. NIKI Luftfahrt GmbH will also be fully included in consolidation by Air Berlin PLC in future. It will continue to exist as a legally independent Austrian company with its own management.

11 November 2011: Air Berlin PLC announced that it will acquire bonds of the EUR 220 million 1.5 per cent Convertible Bonds issued by Air Berlin Finance B.V. in 2007 in an aggregate nominal amount of EUR 125.2 million. The purchase price including accrued but unpaid interest amounts to EUR 99,889.34 for each of the 1,252 bonds in a nominal amount of EUR 100,000. In accordance with IFRS, this results in a one-time financial expense of EUR 1.1 million. As a result of the repurchase, the number of ordinary shares into which the holders may convert their outstanding bonds will be reduced from approximately 6.05 million to approximately 0.48 million.

THE BOARD OF DIRECTORS

The Board of Air Berlin PLC is made up of the following Directors:

Executive Directors

Hartmut Mehdorn, Chief Executive Officer (from 1 September 2011)
Joachim Hunold, Chief Executive Officer (until 31 August 2011)
Paul Gregorowitsch, Chief Commercial Officer (from 1 September 2011)
Ulf Hüttmeyer, Chief Financial Officer
Christoph Debus, Chief Operating Officer

Non-Executive Directors

Dr. Hans-Joachim Körber, Chairman of the Board of Directors
Barbara Cassani
Saad Hammad
Joachim Hunold (from 1. September 2011)
Andreas Nikolaus (Niki) Lauda (from 8 November 2011)
Hartmut Mehdorn (until 31 October 2011)
Peter Oberegger
Ali Sabanci
Heinz-Peter Schlüter
Nicolas Teller
Johannes Zurnieden

Approved by the Directors on 16 November 2011

Hartmut Mehdorn **Ulf Hüttmeyer**

Air Berlin PLC

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

for the period ended 30 September 2011

	1/11-9/11	1/10-9/10	7/11-9/11	7/10-9/10
	€ 000	€ 000	€ 000	€ 000
Revenue	3,273,314	2,809,129	**1,375,497**	1,241,217
Other operating income	5,891	42,874	**1,576**	26,257
Expenses for materials and services	(2,525,543)	(1,996,000)	**(977,052)**	(815,523)
Personnel expenses	(352,393)	(349,072)	**(121,435)**	(119,280)
Depreciation and amortisation	(63,019)	(71,509)	**(20,535)**	(23,125)
Other operating expenses	(461,946)	(390,647)	**(161,282)**	(137,877)
Operating expenses	(3,402,901)	(2,807,228)	**(1,280,304)**	(1,095,805)
Result from operating activities	(123,696)	44,775	**96,769**	171,669
Financial expenses	(51,930)	(56,168)	**(19,722)**	(21,968)
Financial income	7,689	4,454	**2,401**	2,849
(Losses) gains on foreign exchange and derivatives, net	(30,109)	(24,333)	**(24,284)**	15,682
Net financing costs	(74,350)	(76,047)	**(41,605)**	(3,437)
Share of profit (loss) of associates, net of tax	97	(201)	**0**	(3,260)
Profit (loss) before tax	(197,949)	(31,473)	**55,164**	164,972
Income tax benefit (expense)	63,696	16,849	**(24,956)**	(29,122)
Profit (loss) for the period – all attributable to the shareholders of the Company	(134,253)	(14,624)	**30,208**	135,850
Basic earnings per share in €	(1.58)	(0.17)	**0.36**	1,60
Diluted earnings per share in €	(1.58)	(0.17)	**0.34**	1,15

Air Berlin PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

for the period ended 30 September 2011

	1/11-9/11	1/10-9/10	**7/11-9/11**	7/10-9/10
	€ 000	€ 000	€ 000	€ 000
Profit (loss) for the period	(134,253)	(14,624)	**30,208**	135,850
Foreign currency translation reserve	1,222	1,483	**(124)**	543
Effective portion of changes in fair value of hedging instruments	20,486	29,298	**46,267**	(44,970)
Net change in fair value of hedging instruments transferred from equity to profit or loss	(25,718)	(61,202)	**(3,252)**	(31,082)
Income tax on other comprehensive income	1,511	9,589	**(12,879)**	22,915
Other comprehensive income for the period, net of tax	(2,499)	(20,832)	**30,012**	(52,594)
Total comprehensive income – all attributable to the shareholders of the Company	(136,752)	(35,456)	**60,220**	83,256

Air Berlin PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

as of 30 September 2011

	30/09/2011	31/12/2010 adjusted
	€ 000	€ 000
Assets		
Non-current assets		
Intangible assets	393,551	387,420
Property, plant and equipment	896,498	887,664
Trade and other receivables	124,558	157,657
Deferred tax asset	124,804	51,283
Positive market value of derivatives	4,121	6,448
Deferred expenses	37,916	20,409
Investments in associates	184	405
Non-current assets	1,581,632	1,511,286
Current assets		
Inventories	45,108	42,890
Trade and other receivables	400,295	298,570
Positive market value of derivatives	55,413	53,662
Deferred expenses	59,376	52,618
Cash and cash equivalents	416,548	411,093
Current assets	976,740	858,833
Total assets	2,558,372	2,370,119

Air Berlin PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

as of 30 September 2011

	30/09/2011	31/12/2010 adjusted
	€ 000	€ 000
Equity and liabilities		
Shareholders' equity		
Share capital	**21,379**	21,379
Share premium	**373,923**	373,923
Equity component of convertible bond	**21,220**	21,220
Other capital reserves	**217,056**	217,056
Retained earnings	**(287,495)**	(153,242)
Hedge accounting reserve, net of tax	**19,442**	23,163
Foreign currency translation reserve	**3,059**	1,837
Total equity – all attributable to the shareholders of the Company	**368,584**	505,336
Non-current liabilities		
Interest-bearing liabilities due to aircraft financing	**459,392**	439,782
Interest-bearing liabilities	**361,330**	370,886
Provisions	**7,600**	8,090
Trade and other payables	**93,238**	73,261
Deferred tax liabilities	**30,415**	26,733
Negative market value of derivatives	**20,943**	25,913
Non-current liabilities	**972,918**	944,665
Current liabilities		
Interest-bearing liabilities due to aircraft financing	**68,419**	79,617
Interest-bearing liabilities	**170,952**	10,056
Tax liabilities	**3,936**	10,616
Provisions	**1,138**	3,282
Trade and other payables	**491,424**	394,635
Negative market value of derivatives	**33,551**	25,166
Deferred income	**77,313**	75,223
Advanced payments received	**370,137**	321,523
Current liabilities	**1,216,870**	920,118
Total equity and liabilities	**2,558,372**	2,370,119

Air Berlin PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

for the period ended 30 September 2011

	Share capital € 000	Share premium € 000	Equity component of convertible bond € 000	Other capital reserves € 000	Retained earnings € 000	Hedge accounting reserve, net of tax € 000	Foreign currency translation reserve € 000	Equity attributable to the share-holders of the Company € 000
Balances at 31 December 2009	**21,379**	**374,319**	**51,598**	**217,056**	**(62,323)**	**7,218**	**767**	**610,014**
Share based payment					24			24
Transaction costs on issue of shares, net of tax		(396)						(396)
Total transactions with shareholders	**0**	**(396)**	**0**	**0**	**24**	**0**	**0**	**(372)**
Loss for the period					(14,624)			(14,624)
Other comprehensive income						(22,315)	1,483	(20,832)
Total comprehensive income	**0**	**0**	**0**	**0**	**(14,624)**	**(22,315)**	**1,483**	**(35,456)**
Balances at 30 September 2010	**21,379**	**373,923**	**51,598**	**217,056**	**(76,923)**	**15,097**	**2,250**	**574,186**
Balances at 31 December 2010	**21,379**	**373,923**	**21,220**	**217,056**	**(153,242)**	**23,163**	**1,837**	**505,336**
Loss for the period					(134,253)			(134,253)
Other comprehensive income						(3,721)	1,222	(2,499)
Total comprehensive income	**0**	**0**	**0**	**0**	**(134,253)**	**(3,721)**	**1,222**	**(136,752)**
Balances at 30 September 2011	**21,379**	**373,923**	**21,220**	**217,056**	**(287,495)**	**19,442**	**3,059**	**368,584**

Air Berlin PLC

CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

for the period ended 30 September 2011

	30/09/2011	30/09/2010
	€ 000	€ 000
Loss for the period	(134,253)	(14,624)
Adjustments to reconcile profit or loss to cash flows from operating activities:		
Depreciation and amortisation of non-current assets	63,019	71,509
Loss (gain) on disposal of non-current assets	9,156	(14,960)
Share based payments	0	24
Gain from step-up to fair value of previous interest in the acquiree	0	(17,002)
Increase in inventories	(2,218)	(3,490)
Increase in trade accounts receivables	(74,998)	(46,539)
Decrease in other assets and prepaid expenses	362	1,582
Deferred tax benefit	(68,329)	(29,162)
Decrease in provisions	(2,634)	(8,620)
Increase in trade accounts payables	109,657	61,101
Increase in other current liabilities	53,143	36,260
Losses on foreign exchange and derivatives, net	30,109	24,333
Interest expense	51,930	56,111
Interest income	(7,689)	(4,454)
Income tax expense	4,633	12,313
Share of (profit) loss of associates	(97)	201
Other non-cash changes	1,222	1,483
Cash generated from operations	33,013	126,066
Interest paid	(38,289)	(45,515)
Interest received	2,709	1,620
Income taxes paid	(11,312)	(8,280)
Net cash flow from operating activities	(13,879)	73,891
Purchases of non-current assets	(130,070)	(23,166)
Net-advanced payments for non-current items	(18,756)	(10,503)
Proceeds from sale of tangible and intangible assets	48,596	393,283
Loans given to third parties	0	(40,500)
Acquisition of subsidiaries, net of cash	0	4,328
Cash flow from investing activities	(100,230)	323,442
Principal payments on interest-bearing liabilities	(136,757)	(342,602)
Proceeds from long-term borrowings	262,879	0
Transaction costs related to issue of long-term borrowings	(5,188)	0
Transaction costs related to issue of ordinary shares	0	(565)
Cash flow from financing activities	120,934	(343,167)
Change in cash and cash equivalents	6,825	54,166
Cash and cash equivalents at beginning of period	409,673	372,010
Foreign exchange (losses) gains on cash balances	(2,020)	3,555
Cash and cash equivalents at end of period	414,478	429,731
thereof bank overdrafts used for cash management purposes	(2,070)	(4,208)
thereof cash and cash equivalents in the statement of financial position	416,548	433,939

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2011

(Euro/USD/CHF in thousands, except share data)

1. REPORTING ENTITY

The consolidated interim financial statements of Air Berlin PLC for the nine months ended 30 September 2011 comprise Air Berlin PLC ("the Company") and its subsidiaries (together referred to as "airberlin" or the "Group") and the Group's interest in associates. Air Berlin PLC is a company incorporated in England and Wales with its registered office in London. The corporate headquarters of airberlin are located in Berlin. The Company's ordinary shares are traded on the Frankfurt Stock Exchange.

The group financial statements as at, and for, the year ended 31 December 2010 prepared in accordance with IFRSs as adopted by the EU and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, are available from the Company's registered office and at ir.airberlin.com.

Statutory accounts for 2010 have been delivered to the registrar of Companies in England and Wales. The auditors have reported on those accounts and their report (i) was unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under section 408 of the Companies act 2006.

The comparability of the nine-month-figures of the current reporting period versus the figures of the prior year is restricted due to the first time consolidation of NIKI Luftfahrt GmbH, Vienna, as at 5 July 2010.

2. STATEMENT OF COMPLIANCE

These consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS) IAS 34 "Interim Financial Reporting" as adopted by the EU. They have been neither reviewed nor audited and do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2010.

This condensed set of financial statements was approved by the Directors on 16 November 2011.

3. ACCOUNTING POLICIES AND CHANGES IN ACCOUNTING

This interim report up to 30 September 2011 has been drawn up in accordance with IAS 34 and in compliance with the standards and interpretations applicable from 1 January 2011 as adopted by the EU. The Group has used the same accounting and valuation methods as for the consolidated financial statements for the year ended 31 December 2010.

As at 30 September 2011 the Group has introduced the new position "Interest-bearing liabilities due to aircraft financing" in the statement of financial position. Liabilities relating to the financing of aircraft are reclassified from "Liabilities due to bank from the assignment of future lease payments" as well as "Interest-bearing liabilities" to "Interest-bearing liabilities due to aircraft financing".

The effects on prior year are as follows:

in thousands of Euro	31/12/2010 Reported	31/12/2010 Adjustment	**31/12/2010 Adjusted**
Non-current liabilities			
Interest-bearing liabilities due to aircraft financing	0	439,782	**439,782**
Interest-bearing liabilities due to bank from assignment of future lease payments	244,770	(244,770)	**0**
Interest-bearing liabilities	565,898	(195,012)	**370,886**
Current liabilities			
Interest-bearing liabilities due to aircraft financing	0	79,617	**79,617**
Interest-bearing liabilities due to bank from assignment of future lease payments	56,533	(56,533)	**0**
Interest-bearing liabilities	33,140	(23,084)	**10,056**

4. ESTIMATES

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of uncertainty related to estimates were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2010.

5. SEASONALITY

The aviation industry is subject to seasonal fluctuations. Due to holiday travellers, the summer months generally show the highest revenue from ticket sales. The Group attempts to minimise seasonal impacts by expanding the number of business travellers. For the twelve months ended 30 September 2011 the Group had revenue of € 4,187,763 (prior year: € 3,578,539) and loss for the period after tax of € 216,788 (prior year: € 37,908). Furthermore, for the twelve months ended 30 September 2011 the EBIT amounted to € –177,813 (prior year: € 24,986).

6. NON-CURRENT ASSETS

During the nine months ended 30 September 2011 the Group acquired fixed assets with a cost of € 143,802 (prior year: € 44,565). Assets with a carrying amount of € 74,726 were disposed of during the nine months ended 30 September 2011 (prior year: € 379,545).

Capital commitments for property, plant and equipment amount to 5.3 bn USD (prior year: 6.6 bn USD).

7. SHARE CAPITAL

Of airberlin's authorized share capital, 85,226,196 ordinary shares of € 0.25 each and 50,000 A shares of £1,00 each were issued and fully paid up as of 30 September 2011. Included in this amount are 177,600 treasury shares held by airberlin (through the Air Berlin Employee Share Trust).

8. CORPORATE BONDS

On 19 April 2011 the group issued € 150,000 corporate bonds due 2018. The bond issue is made up of 150,000 bonds with a principal amount of € 1 each, earning yearly interest of 8.25%. Gross proceeds from the bond issue amounted to € 150,000. Transaction costs incurred were € 5,188. The bonds are measured at amortized cost.

9. REVENUE

in thousands of Euro	1/11-9/11	1/10-9/10	**7/11-9/11**	7/10-9/10
Single-seat ticket sales	1,939,387	1,685,563	**799,012**	729,266
Bulk ticket sales to charter and package tour operators	936,339	890,776	**419,272**	422,160
Ground and other services	241,842	204,515	**93,847**	77,735
Air transportation tax	126,003	0	**51,572**	0
In-flight sales	29,743	28,275	**11,794**	12,056
	3,273,314	2,809,129	**1,375,497**	1,241,217

airberlin recognizes ticket sales as income at the time when the transportation is provided. When the fare is for a round-trip and the return flight has not yet been provided at the reporting date, the unearned revenue is deferred in the consolidated balance sheet under "deferred income" until such time the transportation is provided.

Segment information

The company is managed by the Board of Directors as a single business unit in one geographical area and one service. The key figures and ratios presented to the Board of Directors in managing the company are: Result from operating activities, net debt, revenues, passengers, yield and block hours. The financial measures are IFRS measures and are shown in the primary statements. Resource allocation decisions are made based on the entire route network and the deployment of the entire fleet. Revenues derive nearly completely from the principal activity as an airline and include flights, commissions, in-flight and related sales that are generated in Europe. Since airberlin's fleet is employed across its scheduled destinations on an as needed basis all assets and liabilities are allocated to the one segment. The Board has also determined that there is no reasonable basis of allocating assets and related liabilities, income and expenses to geographical areas other than Europe or to individual groups of customers.

10. OTHER OPERATING INCOME

in thousands of Euro	1/11-9/11	1/10-9/10	**7/11-9/11**	7/10-9/10
Gain from step-up to fair value of previous interest in NIKI	0	17,002	**0**	17,002
Gain on disposal of long-term assets, net	0	16,191	**0**	7,450
Income from services provided to NIKI and cost transfer	0	2,989	**0**	0
Income from insurance claims	1,041	888	**303**	121
Other	4,850	5,804	**1,273**	1,684
	5,891	42,874	**1,576**	26,257

11. EXPENSES FOR MATERIALS AND SERVICES

in thousands of Euro	1/11-9/11	1/10-9/10	**7/11-9/11**	7/10-9/10
Airport and handling charges	710,825	648,628	**278,512**	272,300
Fuel for aircraft	793,632	575,282	**320,926**	240,583
Operating leases for aircraft and equipment	446,570	388,451	**151,996**	141,605
Navigation charges	222,726	207,047	**83,584**	86,378
Air transportation tax	126,003	0	**51,572**	0
Catering costs and cost of materials for in-flight sales	110,172	95,803	**43,446**	41,766
Other	115,615	80,789	**47,016**	32,891
	2,525,543	1,996,000	**977,052**	815,523

The expenses for operating leases for aircraft and equipment include expenses of € 92,939 (prior year: € 92,692) that do not directly relate to the lease of assets.

12. PERSONNEL EXPENSES

in thousands of Euro	1/11-9/11	1/10-9/10	**7/11-9/11**	7/10-9/10
Wages and salaries	291,745	291,816	**100,854**	99,916
Social security	30,500	34,073	**10,636**	11,718
Pension expense	30,148	23,183	**9,945**	7,646
	352,393	349,072	**121,435**	119,280

13. OTHER OPERATING EXPENSES

in thousands of Euro	1/11-9/11	1/10-9/10	7/11-9/11	7/10-9/10
Repairs and maintenance of technical equipment	171,357	136,095	60,614	44,426
Hardware and software expenses	51,966	46,078	16,300	15,999
Advertising	49,817	44,599	15,627	14,621
Expenses for premises and vehicles	26,668	24,590	8,717	8,175
Travel expenses for cabin crews	22,795	23,163	9,069	8,276
Bank charges	21,830	18,810	8,832	7,875
Sales commissions paid to agencies	20,676	17,650	8,805	7,676
Insurance	15,339	14,244	4,987	5,744
Auditing and consulting	13,607	11,520	4,229	5,196
Training and other personnel expenses	13,113	8,659	4,503	2,794
Loss on disposal of long-term assets, net	8,898	0	3,155	0
Phone and postage	4,355	4,239	1,661	1,516
Allowances for receivables	1,197	1,768	543	569
Other	40,328	39,232	14,240	15,010
	461,946	390,647	161,282	137,877

14. NET FINANCING COSTS

in thousands of Euro	1/11-9/11	1/10-9/10	7/11-9/11	7/10-9/10
Interest expense on interest bearing liabilities	(47,016)	(56,112)	(18,088)	(21,956)
Expense on valuation of liability from put-option at fair value	(4,898)	0	(1,633)	0
Other financial expenses	(16)	(56)	(1)	(12)
Financial expenses	(51,930)	(56,168)	(19,722)	(21,968)
Interest income on fixed deposits	1,597	716	596	233
Other financial income	6,092	3,738	1,805	2,616
Financial income	7,689	4,454	2,401	2,849
Gains (losses) on foreign exchange and derivatives, net	(30,109)	(24,333)	(24,284)	15,682
Net financing costs	(74,350)	(76,047)	(41,605)	(3,437)

Foreign exchange gains or losses result from actual exchange rate differences at the settlement date (realised gains or losses), from the revaluation of interest-bearing liabilities, interest-bearing liabilities due to aircraft financing and other financial assets and liabilities which are to be settled in a foreign currency at the balance sheet date as well as from changes in the fair value of derivatives. Realised exchange rate gains or losses not arising from interest-bearing liabilities and other financing activities are reclassified to the various income and expense line items from which they arose within operating result.

15. INCOME TAX AND DEFERRED TAX

Loss before tax is primarily attributable to Germany. The income tax benefit (expense) for the period is as follows:

in thousands of Euro	1/11-9/11	1/10-9/10	7/11-9/11	7/10-9/10
Current income taxes	(4,633)	(12,313)	**(3,097)**	(5,711)
Deferred income taxes	68,329	29,162	**(21,859)**	(23,411)
Total income tax benefit (expense)	63,696	16,849	**(24,956)**	(29,122)

16. CASH FLOW STATEMENT

in thousands of Euro	30/09/2011	30/09/2010
Cash	**365**	573
Bank balances	**90,871**	151,769
Fixed-term deposits	**325,312**	281,597
Cash and cash equivalents	**416,548**	433,939
Bank overdrafts used for cash management purposes	**(2,070)**	(4,208)
Cash and cash equivalents in the statement of cash flows	**414,478**	429,731

Cash and cash equivalents include restricted cash of € 104,206 as of 30 September 2011 (prior year: € 91,243).

17. RELATED PARTY TRANSACTIONS

The Group has related party relationships with its Directors and associates.

Members of the Board of Directors control a voting share of 6.04 % of airberlin (prior year: 5.62 %).

One of the non-executive directors, also a shareholder of the Company, is the controlling shareholder of Phoenix Reisen GmbH. The Group had revenues from ticket sales with Phoenix Reisen GmbH during the first nine months of 2011 of € 10,412 (prior year: € 14,461). At 30 September 2011 € 443 (prior year: € 642) are included in trade receivables line.

During the nine-month period ended 30 September 2011 respectively 2010 the Group had transactions with associates as follows:

in thousands of Euro	2011	2010
THBG BBI GmbH		
Receivables from related parties	2,024	1,912
Interest Income	83	63
Follow Me Entertainment GmbH		
Receivables from related parties	75	0
Binoli GmbH		
Revenues from ticket sales	366	37
Receivables from related parties	206	112
Interest Income	15	23
Lee & Lex Flugzeugvermietung GmbH		
Expenses for leasing	0	1,078
Receivables from related parties	0	615
E190 Flugzeugvermietung GmbH		
Expenses for leasing	4,009	924
Receivables from related parties	6,922	4

Transactions with associates are priced on an arm's length basis.

The group disposed its 24.0% share in Lee & Lex Flugzeugvermietung GmbH, Vienna, in the second quarter of 2011.

18. SUBSEQUENT EVENTS

Air Berlin PLC issued a new bond on 1 November 2011. Consisting of bonds of a nominal value of EUR 1,000 each and with a coupon of 11.5 per cent, it was issued at 100 per cent of its nominal value and will be repaid in the amount of 100 per cent of its nominal value on 1 November 2014 subject to early repayment.

On 3 November 2011, Helmut Himmelreich was appointed as the new Chief Operating Officer (COO) of Air Berlin PLC from the start of the 2012 financial year. Christoph Debus will leave airberlin effective 31 December 2011.

On 8 November 2011, the founder of Austrian airline NIKI Luftfahrt GmbH, Andreas Nikolaus (Niki) Lauda, was appointed to the Board of Air Berlin PLC as a non-executive director. Air Berlin PLC has held 49.9 per cent of shares in NIKI Luftfahrt GmbH since July 2010. airberlin, Privatstiftung Lauda and Niki Lauda came to an agreement that Privatstiftung Lauda will withdraw from NIKI Luftfahrt GmbH. Privatstiftung Lauda's exit will be effected in a timely manner by a company law restructuring, in which Privatstiftung Lauda will repay the loans granted to it by airberlin by transferring its 50.1 per cent interest in NIKI Luftfahrt GmbH.

On 11 November 2011 Air Berlin PLC announced that it will acquire bonds of the EUR 220 million 1.5% Convertible Bonds issued by Air Berlin Finance B.V. in 2007 in an aggregate nominal amount of EUR 125.2 million. The purchase price including accrued but unpaid interest amounts to EUR 99,889.34 for each of the 1,252 bonds in a nominal amount of EUR 100,000. In accordance with IFRS, this results in a one-time financial expense of EUR 1.1 million. As a result of the repurchase, the number of ordinary shares into which the holders may convert their outstanding bonds will be reduced from approximately 6.05 million to approximately 0.48 million.

19. EXECUTIVE DIRECTORS

Hartmut Mehdorn	Chief Executive Officer	(since 1 September 2011)
Joachim Hunold	Chief Executive Officer	(until 31 August 2011)
Paul Gregorowitsch	Chief Commercial Officer	(since 1 September 2011)
Ulf Hüttmeyer	Chief Financial Officer	
Christoph Debus	Chief Operating Officer	

FINANCIAL CALENDAR

Traffic figures November 2011	6 December 2011

IMPRINT

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