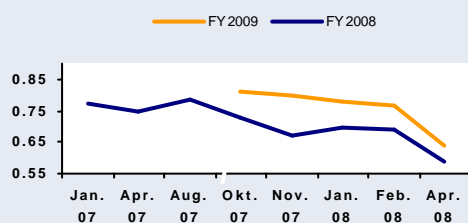


Date: 04/25/2008

Consensus Rating*: +0.22 (Hold)

Previous rating	+ 0.71 (Acc.)
Stock price (in €)	6.45
High/low (52 weeks)	12.21/6.41
Market cap (in € m)	826.5
ISIN	FI0009003230
Reuters	FIA1S.HE
Bloomberg	FIA1S FH
Exchange	OMX
Sector	Transport
Website	www.finnairgroup.com
Coverage	9

Clean EPS Estimates in Euro

Change in Estimates yoy (in Euro m)

	Q1 08E	Q1 07A	Change
Sales	579.6	528.5	9.7%
EBIT clean	6.6	5.8	13.8%
EBIT	6.9	13.7	-49.4%
EPS clean	0.05	0.04	3.6%
EPS	0.05	0.11	-58.6%

*** Consensus Rating (CR):**
Classification:

Buy:	1.50 = CR < 2.00
Accumulate:	0.50 = CR < 1.50
Hold:	-0.50 < CR < 0.50
Reduce:	-1.50 = CR < -0.50
Sell:	-2.00 = CR < -1.50

**Please note that our 2006 clean EPS figures exclude capital gains, fair value changes of derivatives and reorganisation express (€ 22m on EBIT level). Due to the non recurring items we have adjusted the reported EPS by € 16 m.

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Finnair

Summary

Outlook given by the company: The price of fuel is expected to remain high and to exert pressure for ticket price increases whenever the market situation permits. Based on current fuel prices, fuel costs are expected to be over 22 per cent of the turnover 2008. Personnel will be increased to meet the needs of growing traffic. The salary increases agreed in the collective employment agreements will exert pressure to continue improving productivity. The profit impact of the 80 million restructuring programme implemented in 2006-2007 will be evident in full this year

Financial targets:

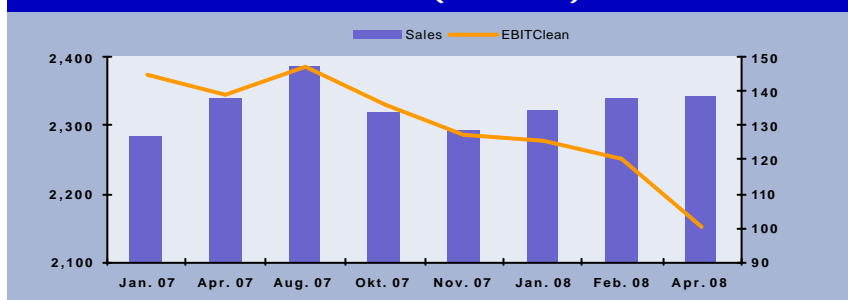
- EBIT margin at least 6%; 110-120m EUR in the coming few years
- EBITDAR margin at least 17%; over 300m in the coming few years
- Pay out ratio: Minimum one third of the EPS

Price Targets in Euro

	Current	Previous	Change	Up-/Downside
Current price	6.45			
Highest	10.50	12.20	-13.9%	62.8%
Consensus	8.60	10.07	-14.6%	33.3%
Median	8.10	10.25	-21.0%	25.6%
Lowest	7.00	7.20	-2.8%	8.5%

Consensus Valuation

	EPS Clean	EBIT Clean	P/E	EV/Sales	EV/EBITDAR	Div. Yield
2005	0.63	70.1	14.25	0.33	2.46	2.8%
2006	0.02	11.2	n.m.	0.57	5.49	0.8%
2007	0.71	96.6	9.04	0.28	2.13	3.9%
2008e	0.59	100.7	10.98	0.26	2.04	3.2%
2009e	0.64	116.4	10.09	0.25	1.88	3.8%

FY 2008 Consensus Estimates (in Euro m)

Quarterly Development (in Euro m)
