



Aer Lingus

Investor and Analyst Day

London, 26 January 2010

Disclaimer

Certain information included in these statements is forward-looking and involves risks and uncertainties that could cause actual results to differ materially from those expressed or implied by the forward looking statements.

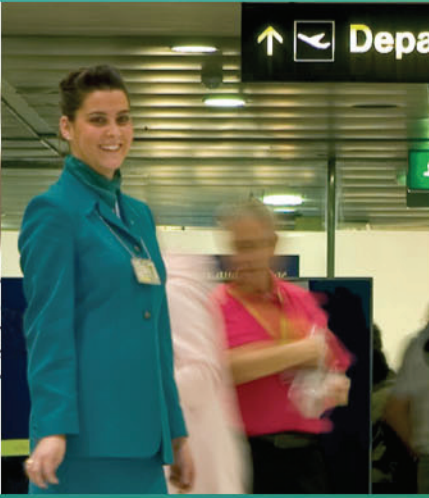
Forward-looking statements include, without limitation, projections relating to results of operations and financial conditions and the Company's plans and objectives for future operations, including, without limitation, discussions of the Company's Business Plan programs, expected future revenues, financing plans and expected expenditures and divestments. All forward-looking statements in this report are based upon information known to the Company on the date of this report. Due to such uncertainties and risks, you should not place undue reliance on such forward-looking statements, which speak only as at the date of this report. The Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law or by any appropriate regulatory authority.

It is not reasonably possible to itemise all of the many factors and specific events that could cause the Company's forward looking statements to be incorrect or that could otherwise have a material adverse effect on the future operations or results of an airline operating in the global economy. Among the factors that are subject to change and could significantly impact the Company's expected results are the fuel costs, competition from new and existing carriers, costs associated with environmental, safety and security measures, actions of governments and regulatory authorities, fluctuations in currency exchange rates and interest rates, airport access and charges, industrial relations, the economic environment of the airline industry and the general economic environment in the markets to which the Company operates.

The financial information presented for 2009 in this report is unaudited and is based on judgements made by management applying the Group's accounting policies.

Programme

- ✈ Introduction
 - Colm Barrington, Chairman
 - ✈ Refocusing Aer Lingus
 - Christoph Mueller, CEO
 - ✈ Financial Review
 - Andrew Macfarlane, Interim CFO
 - ✈ Summary
 - Christoph Mueller, CEO
 - ✈ Coffee break
 - ✈ Q & A
 - Additional presenters to take questions
 - Anne Bradley (ground handling)
 - Enda Corneille (corporate affairs & shared services)
 - Michael Grealy (HR & organisation change)
 - Stephen Kavanagh (chief commercial officer)
 - Steve Kelly (cabin ops)
 - Davina Pratt (flight ops)
 - Fergus Wilson (chief engineer)
- (Chaired by Christoph Mueller)
-
- ✈ Closing remarks & conclusion



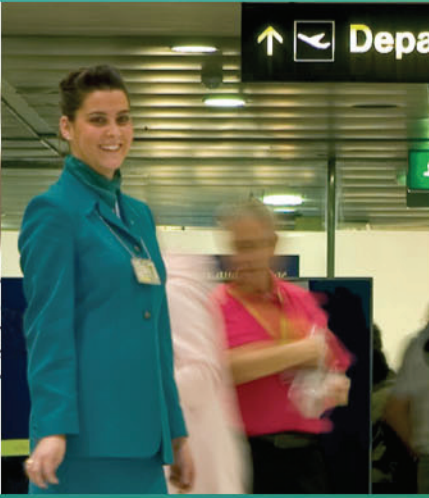
Colm Barrington Chairman Introduction

Introduction

- ✈ One year into the job

- ✈ Challenges of 2009

- ✈ Management changes
 - New CEO Christoph Mueller
 - Interim CFO Andrew Macfarlane
 - New HR Director Michael Grealy
 - COO Executive search ongoing
 - Two new Independent Non-Executive Directors appointed

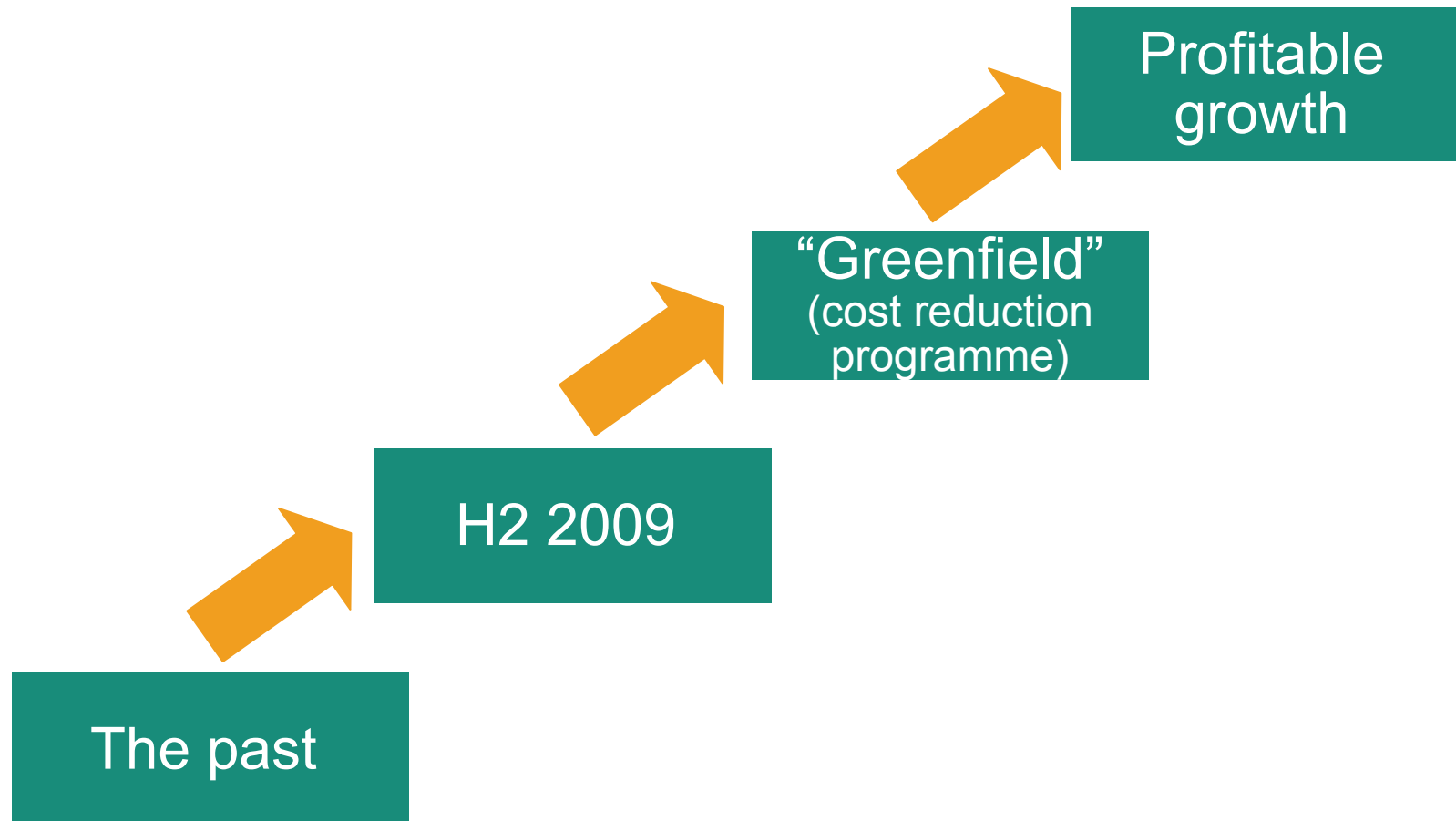


Christoph Mueller
CEO

Refocusing Aer Lingus

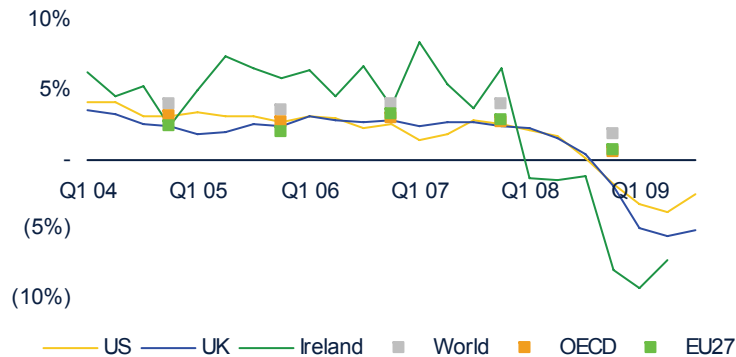
Welcome and introduction

Four phases in the Aer Lingus story

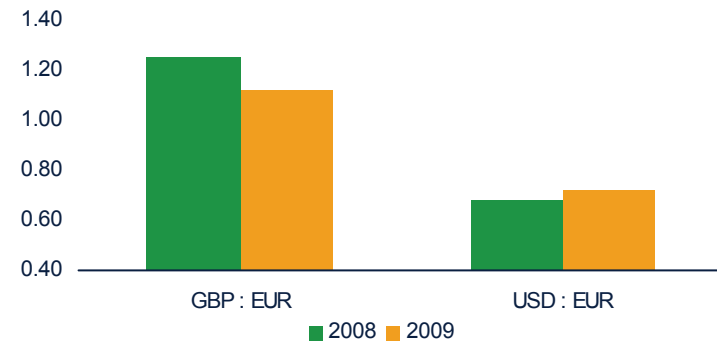


The economic context – Ireland disproportionately affected

GDP (real change %)

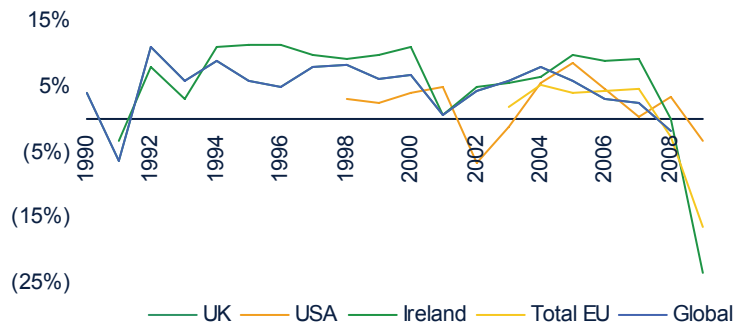


Average yearly exchange rate



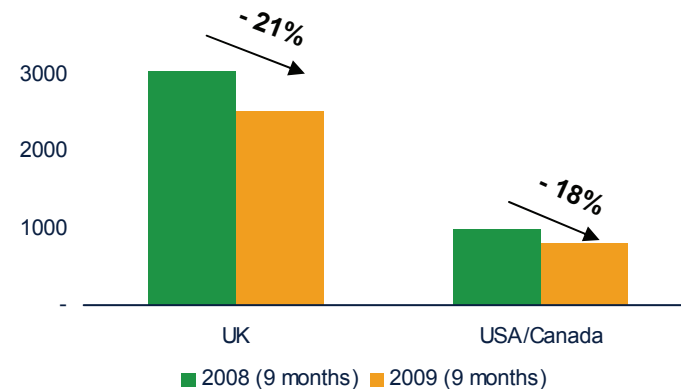
Source: Bloomberg

Passenger traffic (% change)



Source: AEA, CSO, CAA, BTS
 Notes: Irish data pre 2006 includes only Dublin, Cork and Shannon airports

Incoming visitors to Ireland by origin



Source: CSO

Initial impressions

Fundamentally attractive airline . . .

Assets

- ✈ Strong balance sheet - €825m gross cash
- ✈ Modern homogeneous fleet – 52% owned
- ✈ Valuable route network and strategic slots

Operating business

- ✈ Very competitive cost base
- ✈ High quality maintenance
- ✈ Excellent asset utilisation

Markets

- ✈ Strong brand in core markets
- ✈ Large market share on key routes
- ✈ Route connectivity

People

- ✈ High calibre staff
- ✈ Excellent customer satisfaction
- ✈ “Can do” attitude of staff

. . . which required

Immediate actions

- ✈ To halt losses and preserve cash
 - Capacity reductions
 - Yield
 - Cost structure adjustment

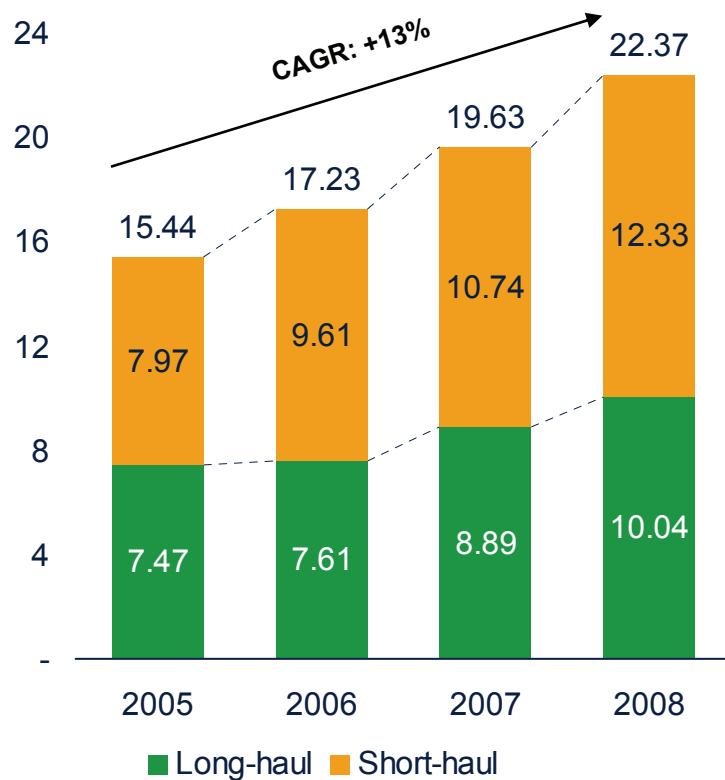
Longer term

- ✈ Clear and coherent direction to drive profitable growth as markets recover
 - Market positioning
 - Network design / expansion
 - Partnerships / alliances
 - Yield management / distribution
 - Information technology

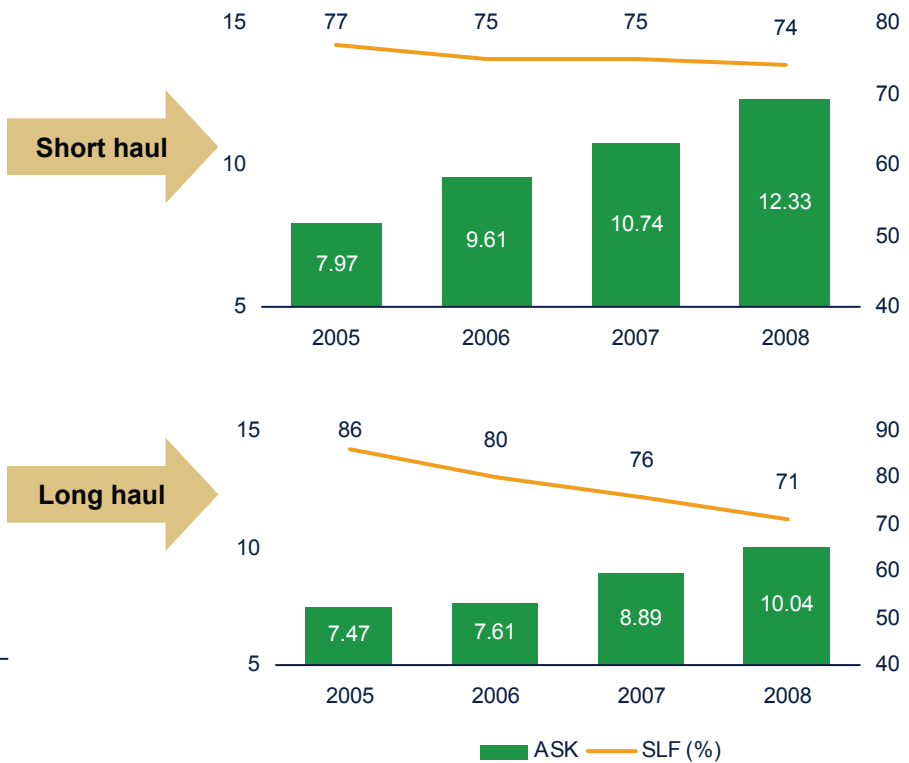
Sustainable profitable growth

The past – network growing significantly into the downturn

Increasing ASKs ('000)



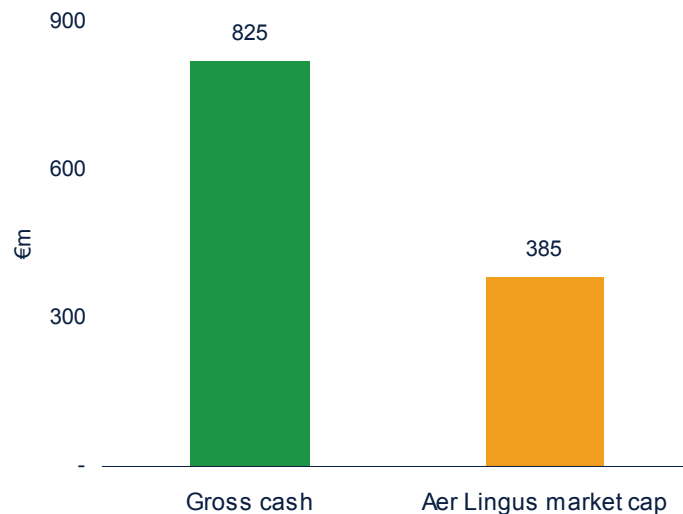
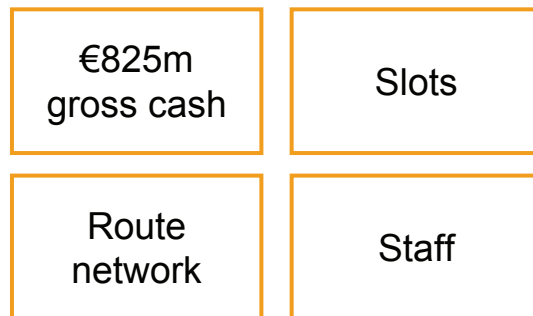
Declining load factors



Led to significant load factor reductions particularly in long haul

Robust balance sheet with . . .

Valuable assets






Source: Company information (unaudited); Factset (20 January 2010)

Valuable owned young fleet



Source: Company information

-  €770m cash unrestricted
-  €493m lease debt uncovenanted
-  Young fleet with average age of 5.9 years

. . . €0.8bn of available liquidity

Immediate actions to address demanding trading conditions

	H1 2009	H2 2009
	€(94)m loss	Small profit ⁽¹⁾
Capacity	<ul style="list-style-type: none"> ✈ Capacity still increasing ✈ Over-aggressive network expansion 	<ul style="list-style-type: none"> ✈ Long haul capacity reduced ✈ Loss making routes closed ✈ Over-served short haul capacity cut
Yield	<ul style="list-style-type: none"> ✈ Lower price points not stimulating demand ✈ Load factor focus depressed yield 	<ul style="list-style-type: none"> ✈ Re-focus pricing policy onto yield / ASK, not load factor
Cost	<ul style="list-style-type: none"> ✈ Cost base remains too high for market conditions and scale of business 	<ul style="list-style-type: none"> ✈ €97m cost saving programme actioned

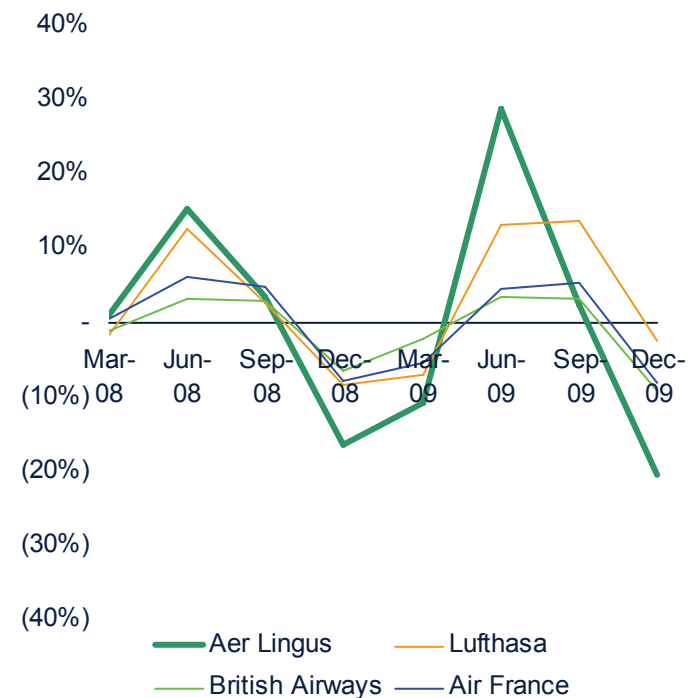
(1) Unaudited operating profit (pre-exceptionals)

Immediate actions – capacity reductions

Capacity reductions

- ✈ Long haul
 - Route reduction e.g. San Francisco
 - Frequency reduction
- ✈ Short haul e.g. Gatwick
 - Route reduction serving only Dublin, Cork, Knock and Malaga
 - Capacity reduction from five to three A320s
- ✈ Actions in line with our competitors in the sector

Capacity reductions (% change q-o-q)



Source: Company announcements

Notes: Lufthansa includes Swiss Air; Capacity calculated as ASK (m)

Despite economic conditions, Aer Lingus added to capacity in H109 predominantly in Gatwick

Immediate actions – capacity management

Capacity reductions

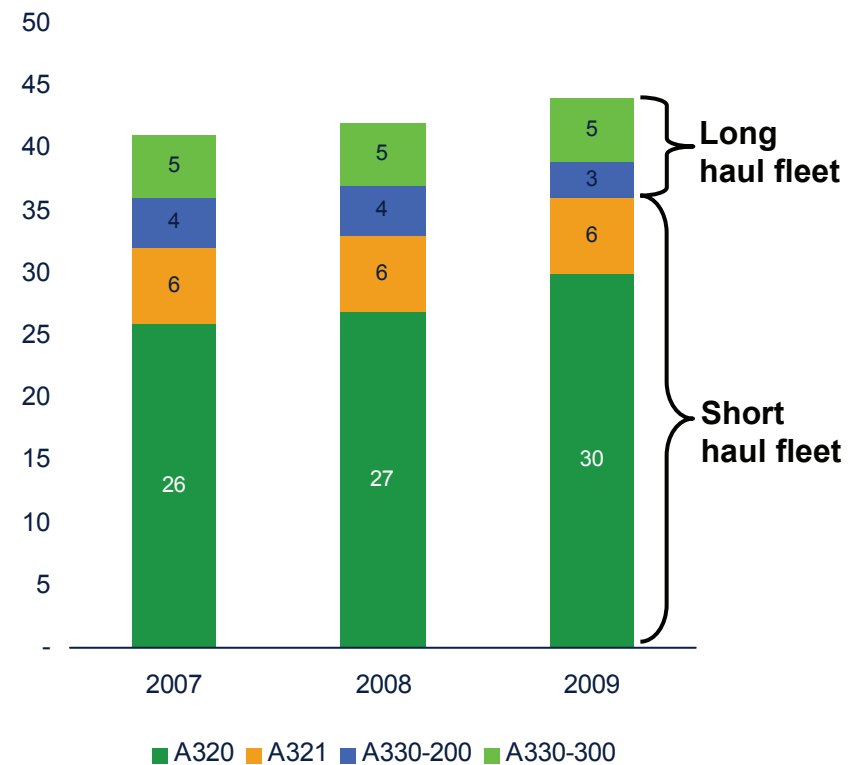
Aircraft	Delivery	
	Original date	Deferred date
A320	Oct-10	Apr-11
A320	Nov-10	May-11
A330*	2010	Q3 2013 - Q1 2014
A330*	2011	Q3 2013 - Q1 2014
A330*	2011	Q3 2013 - Q1 2014
A350	2014	2015
A350	2014	2015
A350	2014	2015
A350	2014	2015

Source: Company information

* Potential to convert to A350 for delivery at a later date agreed with Airbus

- ✈ Major reductions in capex spend delivered
- ✈ Deferral of nine aircraft
- ✈ No additional cost to Aer Lingus and pre-delivery payment schedule revised
- ✈ Macro economic outlook supports aircraft delivery deferrals over the coming years
- ✈ Flexibility within the leased fleet
- ✈ Possibility to convert A320s to A319s

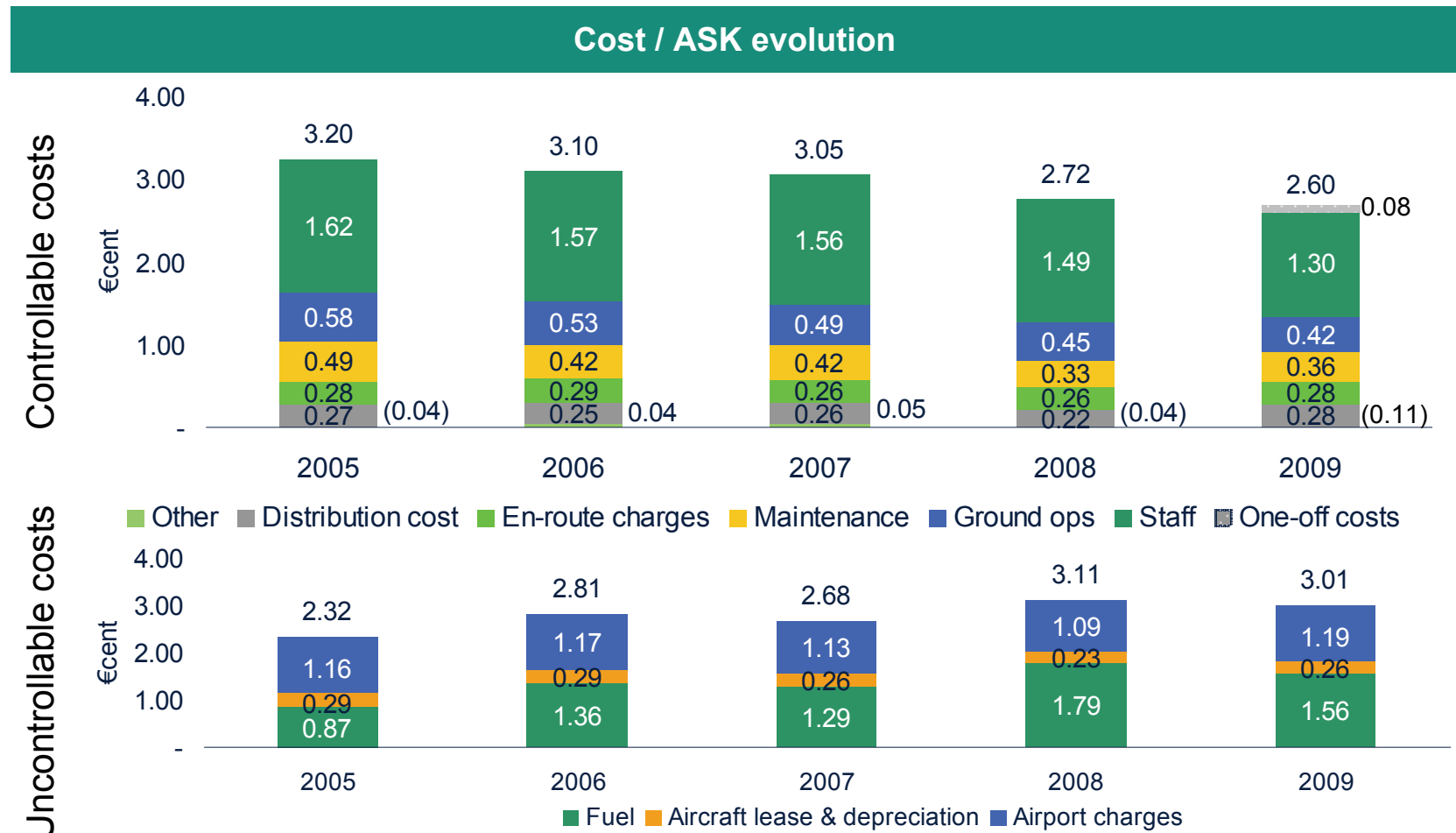
Aer Lingus fleet



Source: Company information

Positive effect on long term cashflow

Immediate actions – Cost per ASK have been reduced...

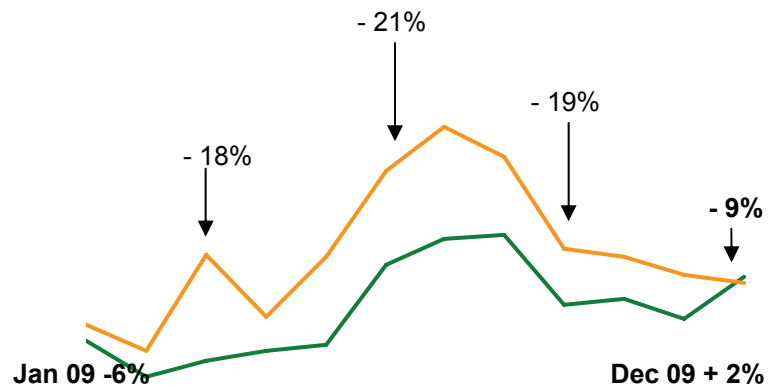


Source: Company information. Note 2009 financials unaudited; staff costs stated pre exceptional and share based payments

... but further reductions required for demanding markets

Immediate results – yield

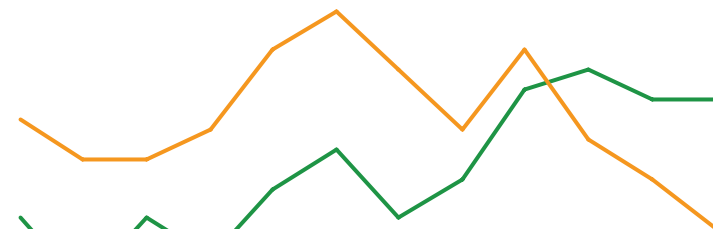
Long haul fare revenue / ASK
(y-o-y (1))



Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec
— 2009 — 2008

Source: Company information (2009 unaudited)
Note (1): Represents quarter change on prior year quarter
Note: Long haul revenue includes JFK/BOS/ORD/MCO only

Transatlantic Business Class Load Factor



Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec
— 2009 — 2008

Source: Company information (2009 unaudited)

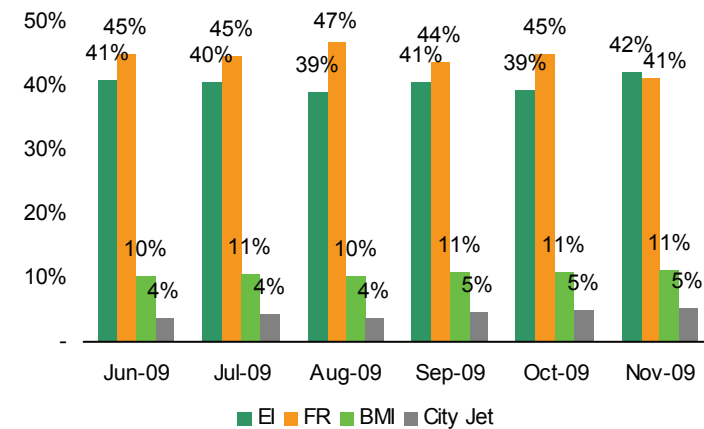
Yields are improving and exceeded 2008 levels in December 2009

Immediate results – growth in market share ...

Aer Lingus outperformed its peers in 2009 by

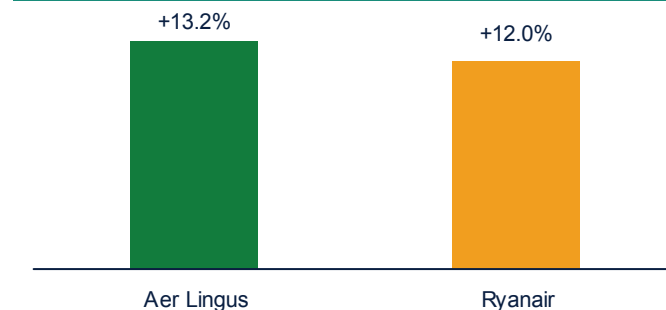
- ✈ Gaining market share on the key Dublin to London route
- ✈ A 13% increase in traffic in December 2009 vs a decline in the market of:
 - 17.3% decline at Dublin
 - 29.4% decline at Shannon
 - 16.8% decline at Cork
- ✈ As a result of actions taken in H2 2009, both short haul and long haul contribution improved

Market share gain on DUB-LON (2009)



Source: UK Civil Aviation Authority

Growth in short haul traffic (Dec 2009)



Source: Company information

... small profit in H2 09 with operational quality maintained and key market share gains

Immediate actions – Greenfield cost reduction programme launched

- ✈ Greenfield is significant and it is organisation wide
- ✈ €97m of cost savings
 - €74m⁽¹⁾ from staff cost and €23m of other savings

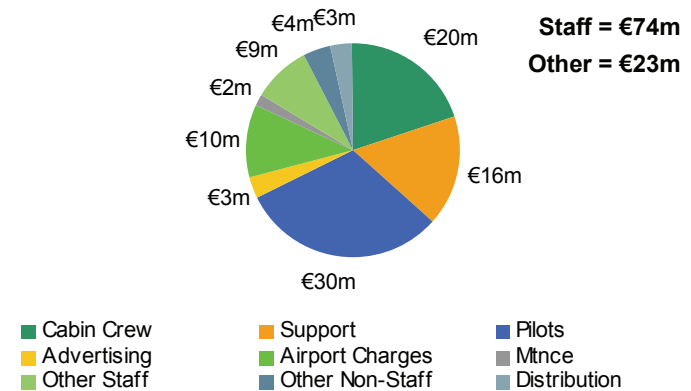
- ✈ Cost base reduction target

<i>Workforce</i>	- 20%
<i>Back office functions</i>	- 40%
<i>Management positions</i>	- 40%

- ✈ Reduction of 170 of 600 Head Office building / support staff in 2011 / 2012
- ✈ Non-Greenfield actions will be supported by IT investment and process re-engineering from 2011
- ✈ Pay freeze until 2012 / 2013
 - Pay freeze will potentially avoid additional costs

Note (1): Supported by arbitration decision, subject to final ballot sby staff

Greenfield - €97m cost savings (1)



Source: Company information

Sector cost reductions

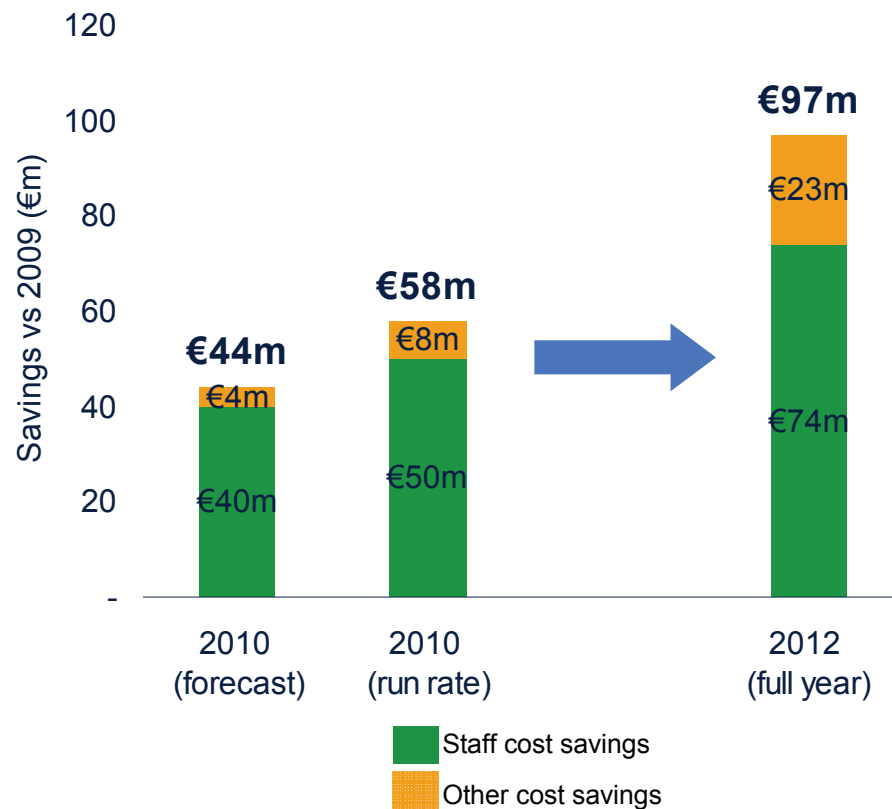
Airline	Cost Reduction 2009/10	% of Revenue (FY YE)	% of Op Cost (FY YE)
British Airways	£220m	2.40%	2.60% ⁽²⁾
Air France	€700m	2.90%	3.10%
Aer Lingus	€97m	7.15%	7.44%

Source: Company announcements (FY YE =last reported). Note (2): Excludes restructuring costs




Larger relative cost reduction programme than competitors

Greenfield cost saving initiatives agreed

Savings overview – 2010 to 2012



Key Cost Saving Elements

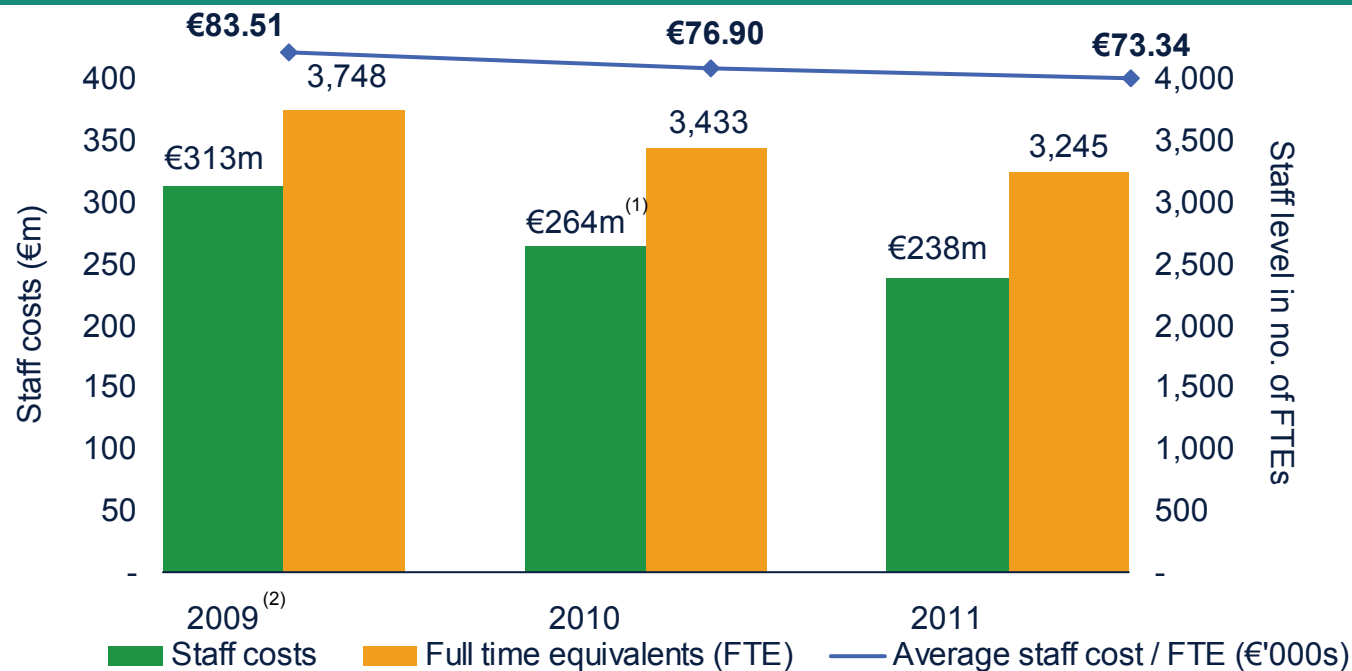
-  Restructuring costs have a payback period of less than 1 year – significantly better than previous agreements
-  Bulk of back office support and headquarter headcount to occur in 2011 / 2012 – only limited impact in 2010 budget
-  €40m cash costs of redundancies in 2010 and €20m P&L charge in 2010 for redundancies to take place in 2011

Source: Company information. Note: Above forecast assumes no change in operating environment

Restructuring initiatives to return Aer Lingus to profitability by addressing fundamental structural issues

Overview – Staff levels and costs

Staff levels and costs (Staff costs, FTE, Staff costs / FTE; 2009 - 2011)



Source: Company information

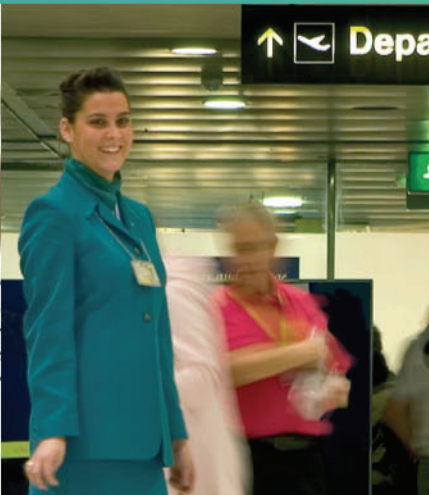
Note (1): €40m from Greenfield; €10m from previous initiatives; Note (2): Unaudited 2009 numbers; Forecast assumes no change in operating environment

✈ Reductions in workforce

- Head office de-layering and 40% management reduction

✈ Reductions in pay

✈ Sustainable elimination of labour inefficiencies and stabilisation of optimised productivity



Strategic options for Aer Lingus

Improved cost position ...

A three step approach ...

Step 1 H2 2009

- ✈ Stringently manage cash position
- ✈ Pull capacity on loss making routes
- ✈ Re-focus revenue philosophy to concentrate on yield



Step 2 “Greenfield” cost reduction programme

- ✈ Cost reduction programme to re-align cost base for growth

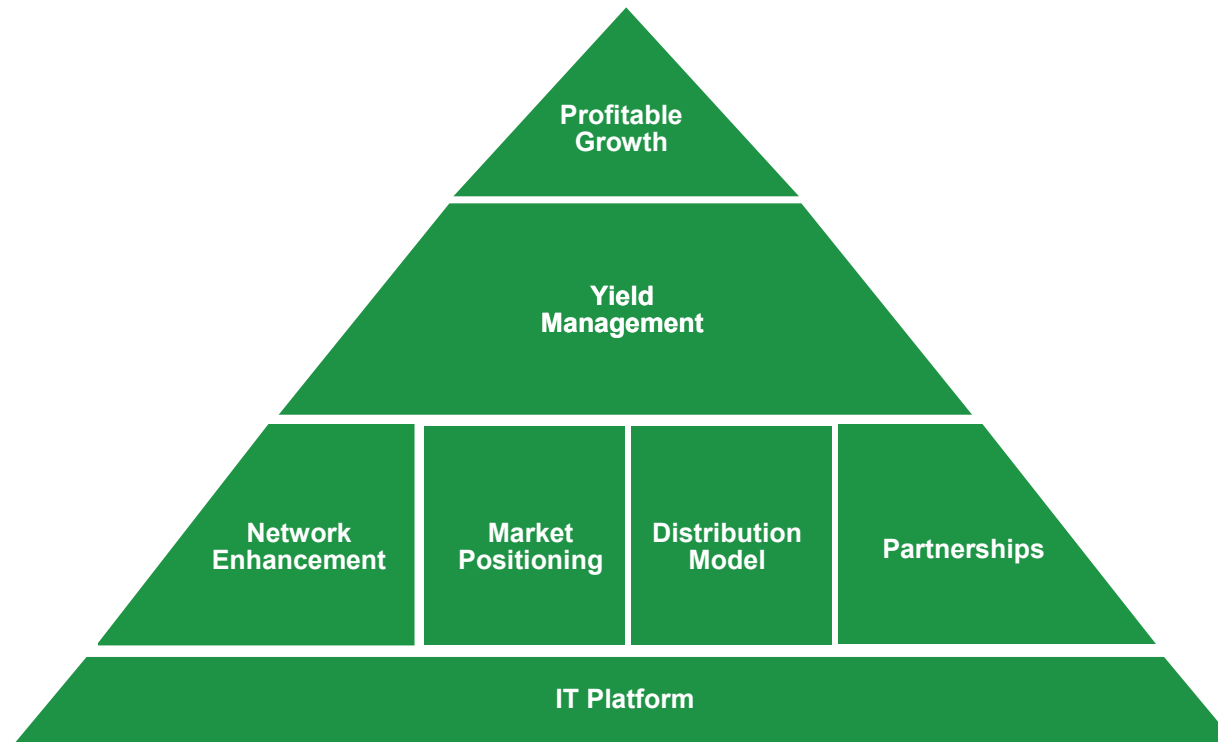


Step 3 Profitable growth

- ✈ Market / product positioning to match customer demand
- ✈ Network optimisation and expansion
- ✈ Expansion of alliances and partnerships
- ✈ IT investment to drive yield and route optimisation

...opens the path to profitable growth

Adjusting the revenue model to drive profitable growth



- ✈ Aer Lingus will seek to access latent demand through:
 - Network enhancement
 - Exploring partnerships
 - Bespoke distribution channels
- ✈ Revenues can be maximised through the exploitation of superior product offering
- ✈ IT investment will underpin the yield management model

Systematic and disciplined approach to looking at the business

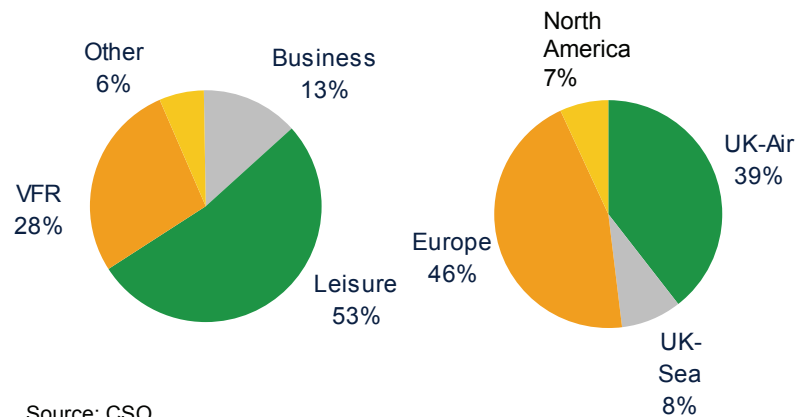
Network design – meeting our passengers’ needs



Passenger market overview

(total to and from Ireland)

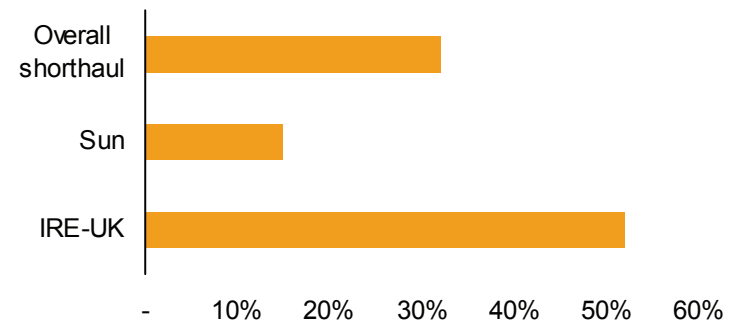
The Market





 87% of travel to Ireland is non-business

Our ‘time sensitive’ bookings

Aer Lingus



 Relatively low proportion require high frequency time sensitive ‘business’ travel

 Time sensitive travel concentrated on a few routes e.g. Ireland – UK

Only 13% of market passenger bookings are time sensitive – concentrated on a few routes

Enhancing the business model – value carrier



✈ Pure LCC model not sustainable for Aer Lingus ...

- Deeply discounted aircraft not available
- Unsustainable tax funded regional airport incentive deals
- Reducing growth opportunities due to completion of modal split changes
- The cost overhang of the Aer Lingus seniority list

✈ Whilst a ‘full service’ model is not competitive ...

- Small relative size of Business Market
- Disadvantageous geographic position for short haul connecting flows
- Low fares embedded in Irish Marketplace

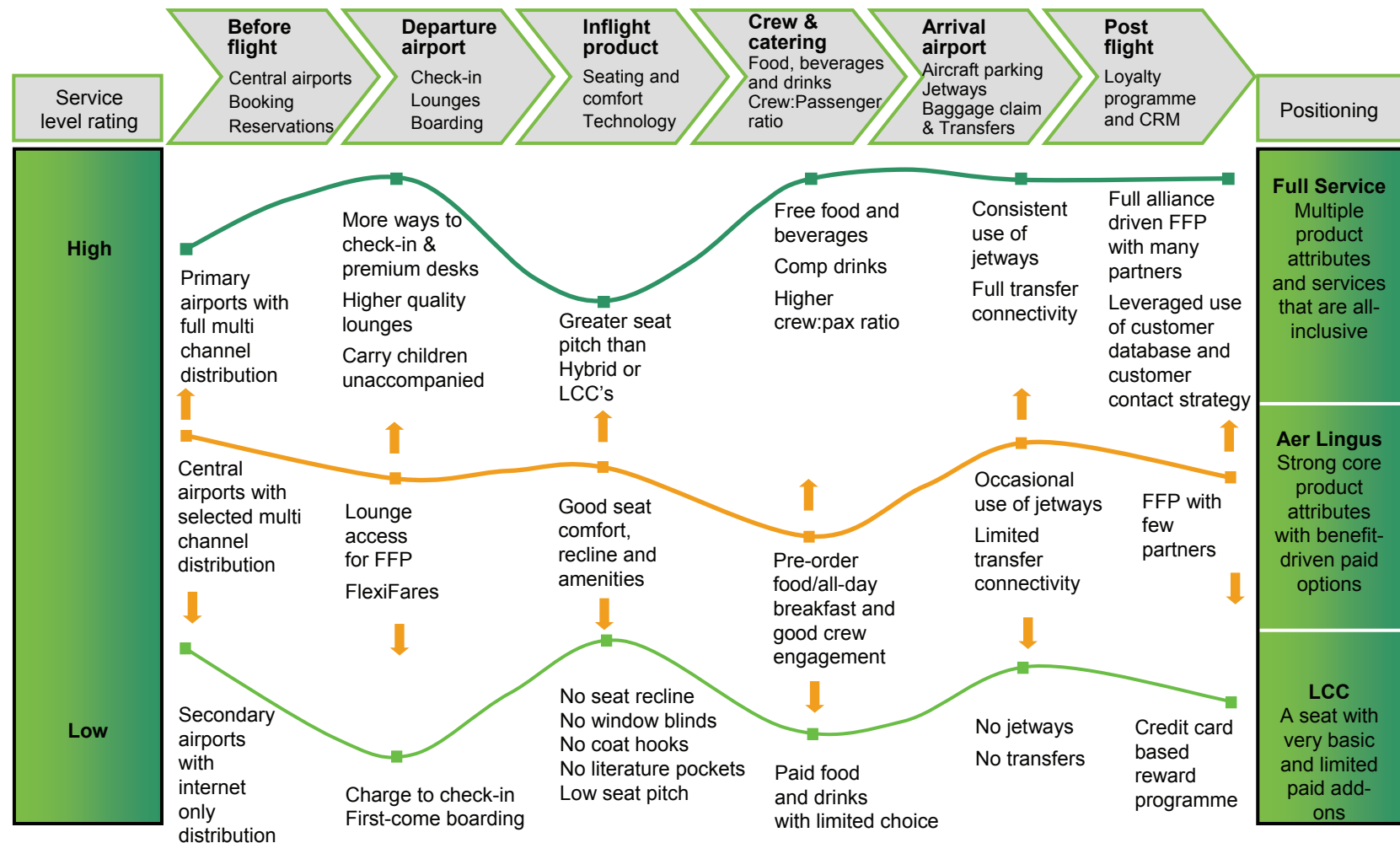


Enhancing the business model – market positioning

	LCC Ultra-Low Cost Carriers	Aer Lingus	Full Service Flag Carriers
Key Target Audience	Price-sensitive leisure	Combination of leisure and business	Business and premium leisure
Product offering	Basic seat Very limited paid add-ons	Quality core product plus benefit-driven a la carte paid options	Multiple product attributes fully-bundled
Airport selection	Secondary	Central	Primary
Customer engagement and relationship management	None	Natural positive engagement Standalone FFP with selected reciprocity	Structured approach to customer engagement (one-to-one) Alliance-based FFP's
Customer Expectations	Low	Medium	High
Distribution Channel	Internet only	Internet as priority but multi-channel where appropriate	Multi-channel by default
Network Connectivity	None	Appropriate connectivity offering at selected hubs	Complex connectivity across several hubs
Brand Image	Downmarket	Professional but affordable	Polished, upmarket

Aer Lingus: Ireland's civilised airline

Enhancing the business model – product positioning



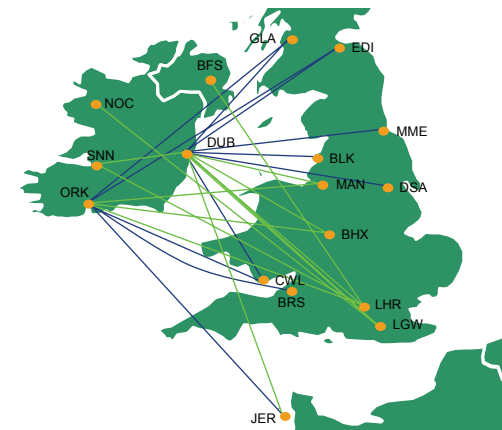
Enhanced modular offering for customers

Aer Arann partnership enhances short haul network

- ✈ Aer Arann franchise arrangement enhances network
 - Cardiff, Glasgow, Edinburgh etc
- ✈ Key advantages are
 - Deepens penetration in core Ireland and UK markets
 - Improves network frequency
 - Serves regional business markets
 - Consolidates long haul traffic in Dublin hub
- ✈ All achieved at no cost to Aer Lingus
- ✈ Aer Lingus will selectively seek new routes to in-fill short haul network
 - But new routes need to deliver return on investment

ROI / UK regional network





Aer Lingus operated

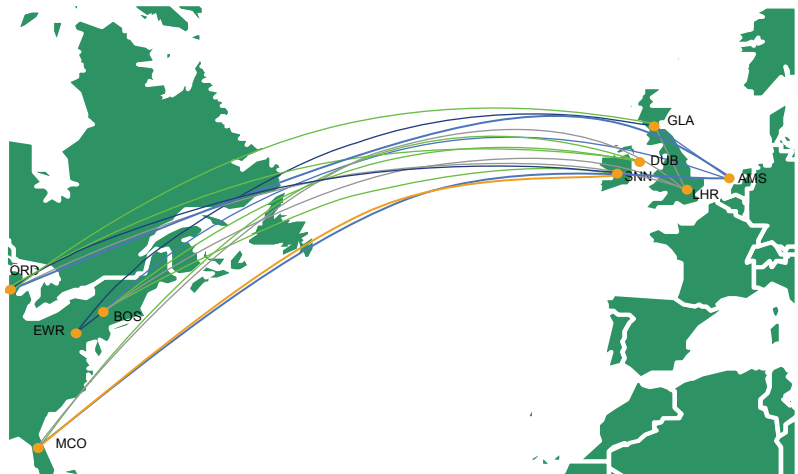
Proposed franchise routes Phase I

Aer Arann franchise will make a positive profit contribution

Long haul network – potential for expansion



Aer Lingus long haul network



Dublin elapsed time advantage

Carrier	Route	Outbound		Inbound	
		Journey time (hrs)	Connection	Journey time (hrs)	Connection
1	GLA-EWR-BOS	10:15	01:30	11:00	02:25
2	GLA-LHR-BOS	11:20	02:20	10:45	02:40
3	GLA-LHR-BOS	10:50	02:15	10:40	03:00
4	GLA-AMS-BOS	14:50	05:20	10:30	01:50
EI	GLA-DUB-BOS	09:25	01:20	08:50	01:25

Source: Company information

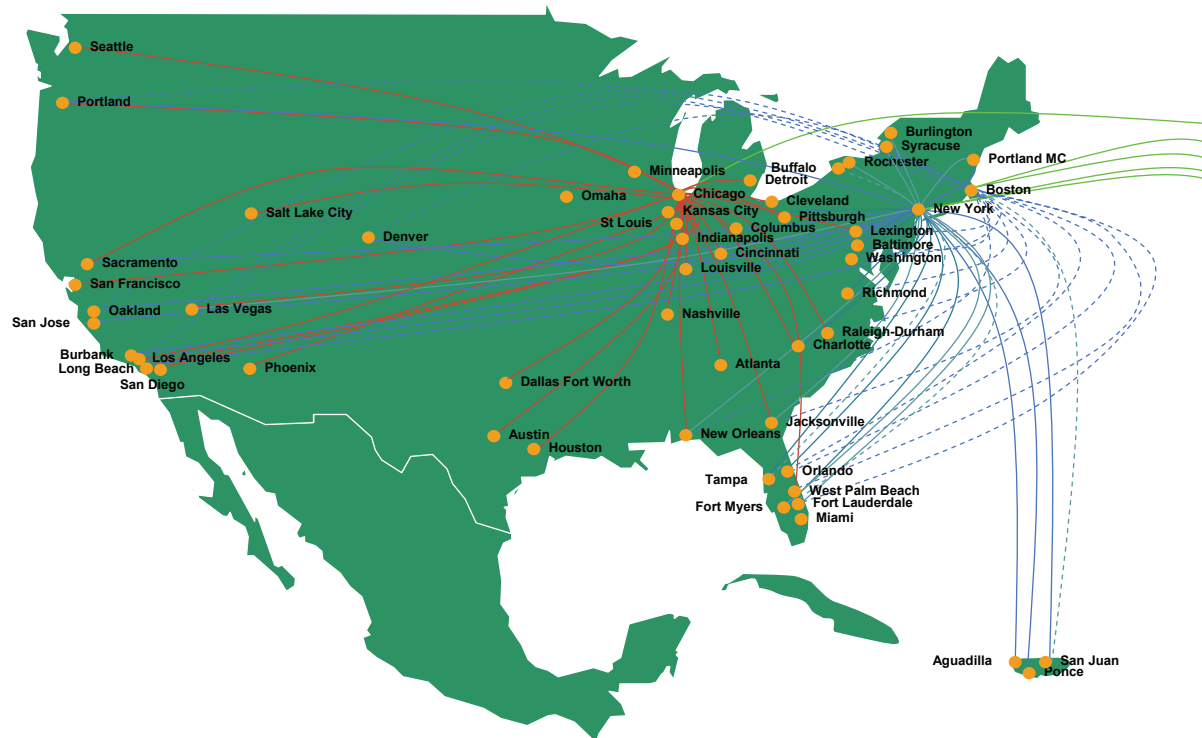
- ✈ Established regular long haul routes to USA with strong connectivity
 - New York, Boston, Chicago, Orlando
 - Base traffic and frequency comparable to that from most major EU capitals
- ✈ Natural traffic flow from UK/Europe to the USA can be better captured via Dublin
 - Particular for secondary markets without non-stop connections offering, the connectivity via Dublin can offer a far superior travel time
 - Further competitive advantage from US immigration and customs pre-clearance in new Terminal 2
 - We just need to ‘switch it on’



Dublin provides a natural advantage for long haul expansion westbound



Long haul network – connectivity

Beyond US Gateway Traffic – JetBlue and United Airlines

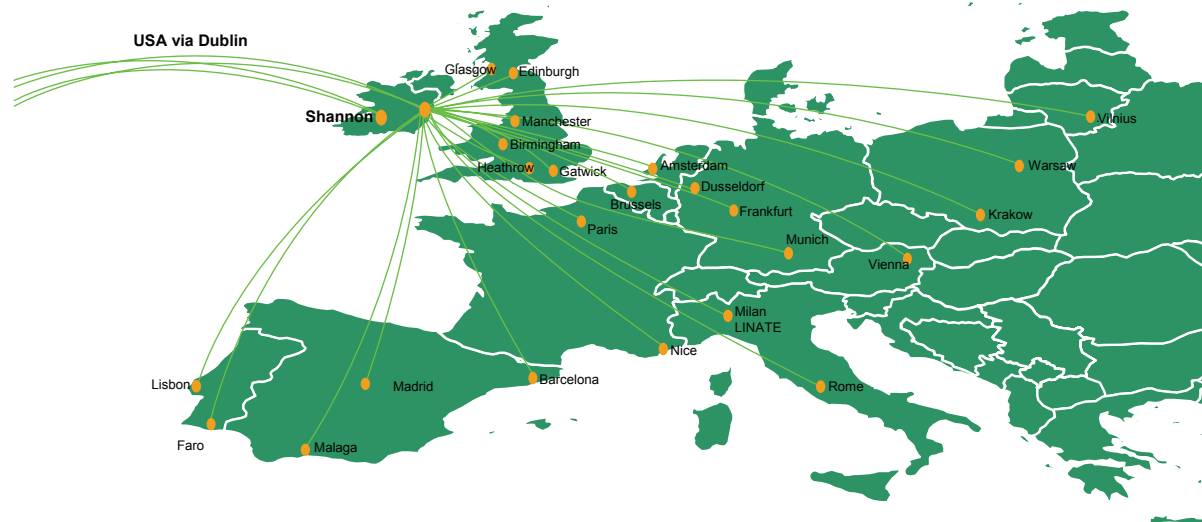


-  Aer Lingus now connecting to over 50 US cities
-  JetBlue relationship traffic grew over 170% in 2009 versus 2008
-  EI code now on 35 cities with United Airlines with application for six Canadian cities pending

Long haul network – connectivity



European Connectivity to US via Dublin



- ✈ Aer Lingus now connecting to US from over 27 European cities via Dublin. This number will grow with Aer Arann franchise
- ✈ Significant year on year growth 7% in 2008 and 31% in 2009
- ✈ Traffic source will be further leveraged by additional connectivity

Long haul network gap – connectivity to Asia-Pac / M. East

- ✈ Today – Randomly connected (interline) via London, Amsterdam, Frankfurt etc.
- ✈ Market potential

	Daily One Way Pax Potential
Sydney	52
Bangkok	50
Beijing	31
Hong Kong	27
Manila	26
Cochin	20
Dubai	20
Tokyo	18

Source: Company information

- ✈ Traffic insufficient to single market to support direct service

Consolidation of traffic with Alliance Partners = Daily Service

Aer Lingus has a successful partner network



- ✈ Connecting code-share between Dublin, Cork, Belfast and London
- ✈ Serving traffic flows to Middle/Far East, Australia, New Zealand and Africa
- ✈ Delivered in excess of 150,000 sectors in 2009



- ✈ Connections via New York and Boston to more than 40 jetBlue destinations
- ✈ Low cost distribution on aerlingus.com and soon to be expanded onto GDS platform
- ✈ Delivering in excess of 60 sectors per day



- ✈ Connecting code-share between Dublin and Cork to Amsterdam
- ✈ Serving traffic flows to Far East and Africa
- ✈ Delivered close to 150,000 sectors in 2009



- ✈ Connecting and point-to-point code-share between Ireland and North America
- ✈ In addition, Aer Lingus has its code on 35 domestic US services and growing
- ✈ Delivered in excess of 150 sectors per day in first full year of relationship

Aer Lingus has developed a partner network providing network depth

United Extended Code Share



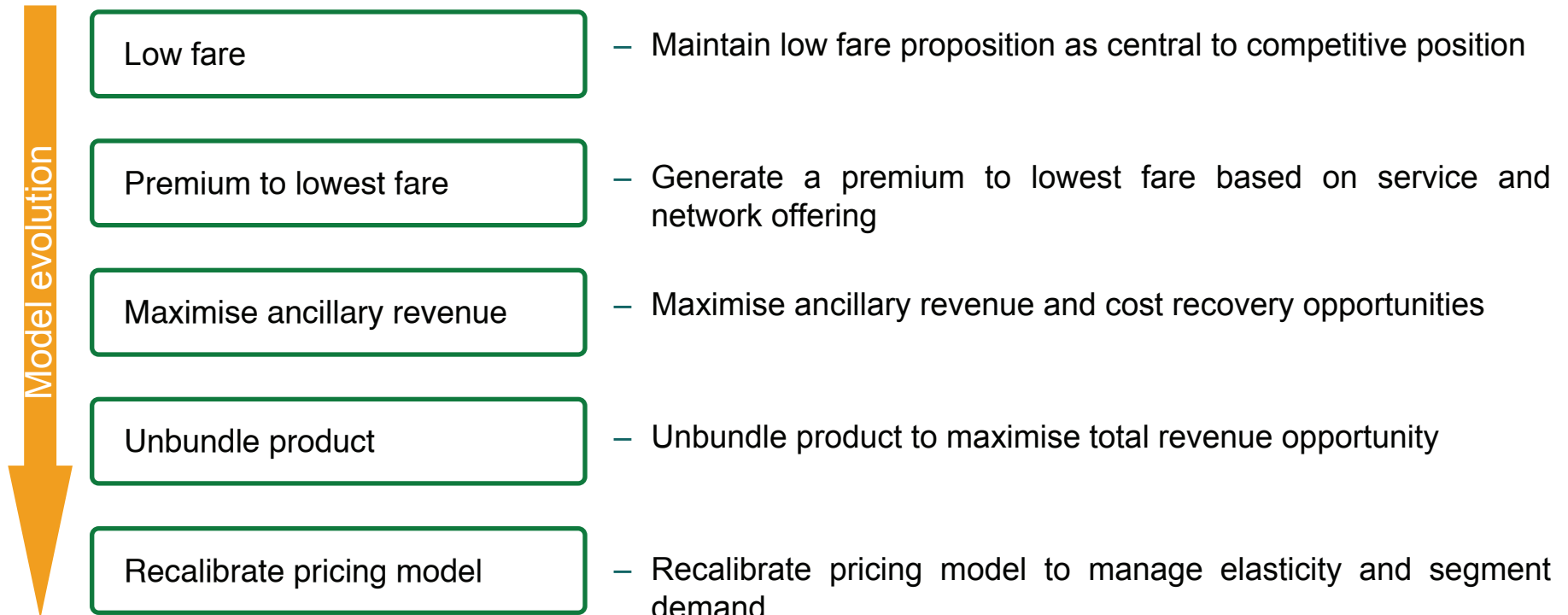
- ✈ Initial service between Washington, Dulles and Madrid
 - To commence daily operations from March 2010

- ✈ Both carriers equally share the commercial and economic benefits and risk
 - Aer Lingus managing the operational aspects of the new partnership services
 - United Airlines taking responsibility for managing revenue generation

- ✈ The Partnership route structure will be marketed and sold under both Aer Lingus and United Airlines codes
 - Will leverage both parties' network capabilities

- ✈ Further expansion and development of the partnership will be jointly assessed and agreed and may develop into a broader and deeper joint venture

Yield management – general principles



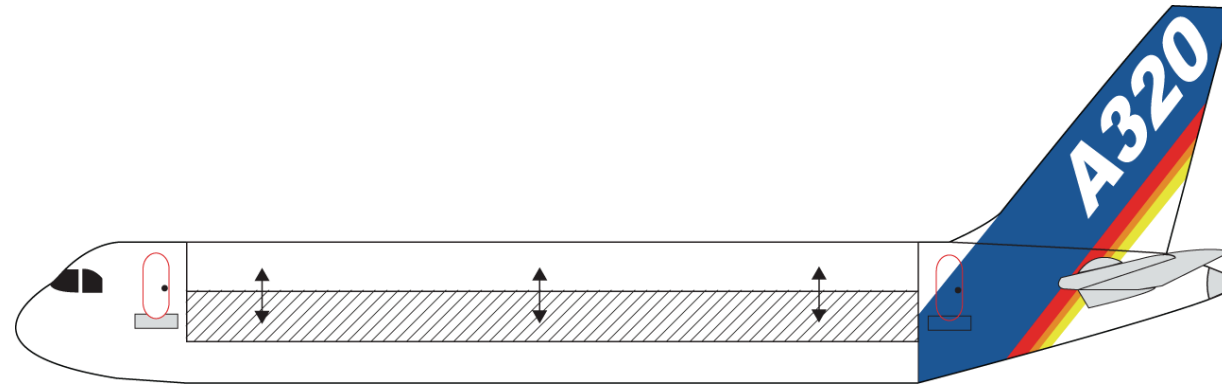
New revenue management model will contribute to yield enhancement

Revenue management



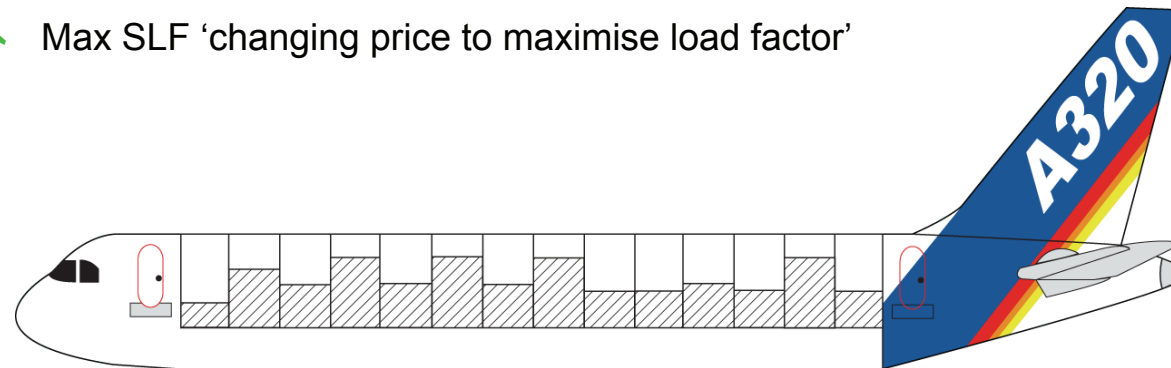
Different business models

LCC



✈ Max SLF 'changing price to maximise load factor'

Full service



✈ Max revenue per ASK 'opening and closing fare classes to maximise yield'

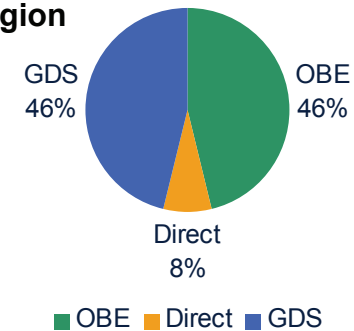
Multi-channel distribution



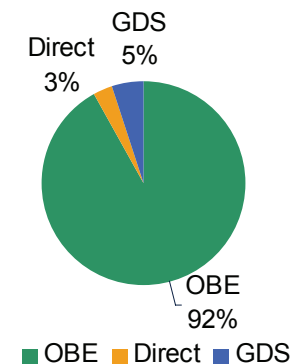
- ✈ Today Aer Lingus has the same distribution strategy for all markets – online
- ✈ Significant non-online demand in certain European markets
- ✈ Distribution strategy to be customised by market
 - Ireland and United Kingdom
 - North America
 - Germany
 - Benelux
 - France
 - Italy
 - Spain
 - Rest of Europe
- ✈ Sales channel choice based on cost / revenue margin analysis

Case study – Ireland v US Market

USA sales region

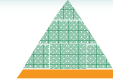


Ireland sales region



Source: Company information

Distribution strategy to be customised by market



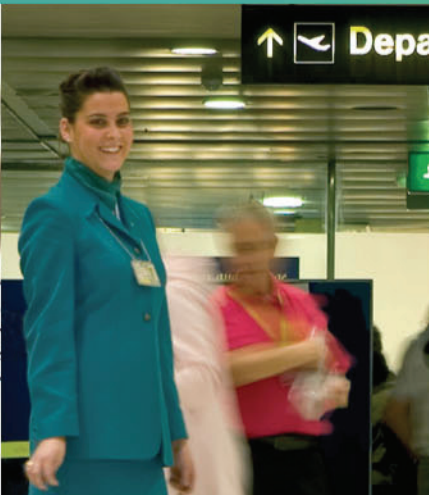
Information Technology

- ✈ Current IT infrastructure is complex, lacks integration and reflects legacy requirements
- ✈ Move to a streamlined, integrated IT platform capable of supporting the evolving business model

	Examples
<i>Revenue Increases</i>	<ul style="list-style-type: none"> - Upgrade of reservation system - replacement of ASTRAL - Continued enhancement of aerlingus.com as customer portal - Improvement of pricing and yield management systems
<i>Cost Reduction</i>	<ul style="list-style-type: none"> - Rostering, enables productivity increases for flying staff - Streamlining back office functions (revenue accounting, payroll etc.) - Streamlining airport systems

- ✈ 2010 budget contains significant allocation to IT capex
- ✈ Focus will be tight management of IT projects to minimise implementation risk
- ✈ Individual projects are small although combined organisational impact is intended to be significant
- ✈ Change programme is complex, with over 200 applications

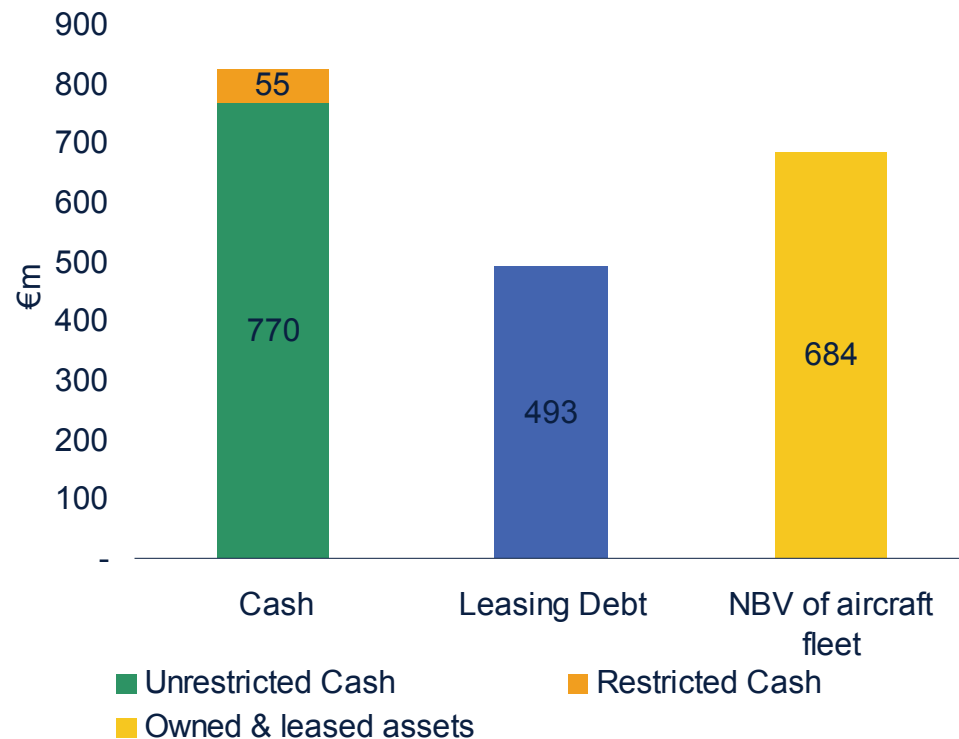
IT investment to support revenue enhancement and cost savings initiatives



Andrew Macfarlane
Interim CFO

Robust balance sheet

Cash & debt balances as at 31/12/09



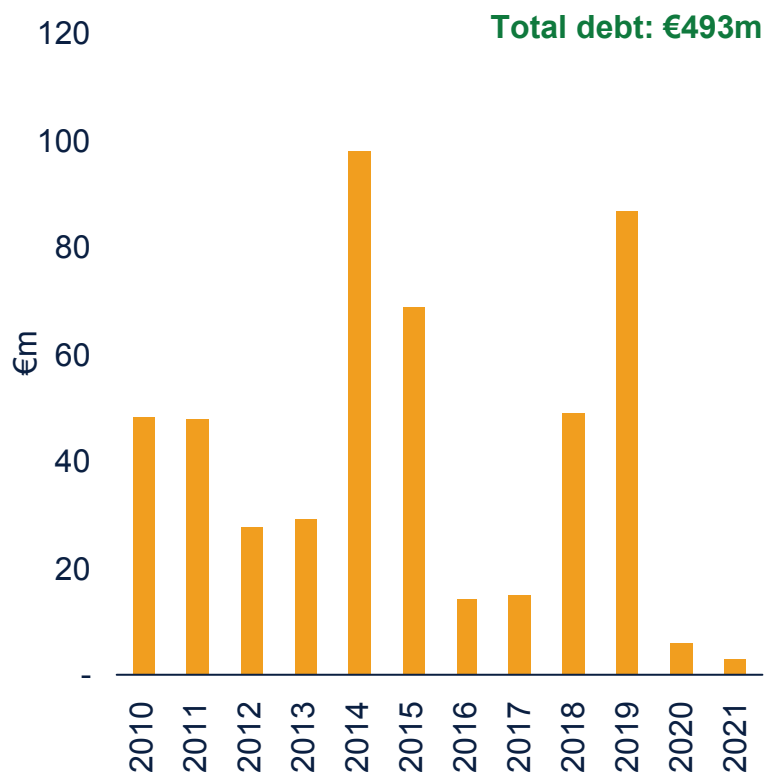
- ✈ No restrictions on **€770m** of gross cash balances
- ✈ Leasing debt does **not** carry financial covenants or terms that act as a constraint on operations
- ✈ 79% of cash invested for periods of < 1 year
- ✈ We own 23 of our 44 aircraft

Source: Company information (unaudited)
 Net book value of aircraft subject to impairment testing
 "Cash" balances comprise cash, deposits, current account balances and other investments

Aer Lingus has the financial flexibility & strength to endure difficult trading conditions

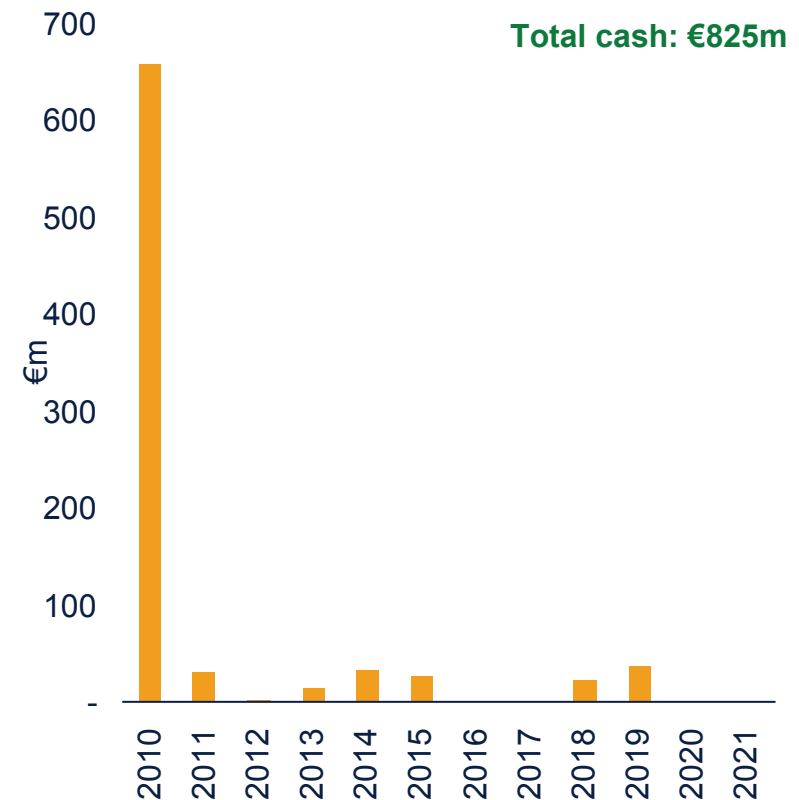
Maturity of Debt and Deposits as at 31 December 2009

Debt maturity schedule



Source: Company information (unaudited)

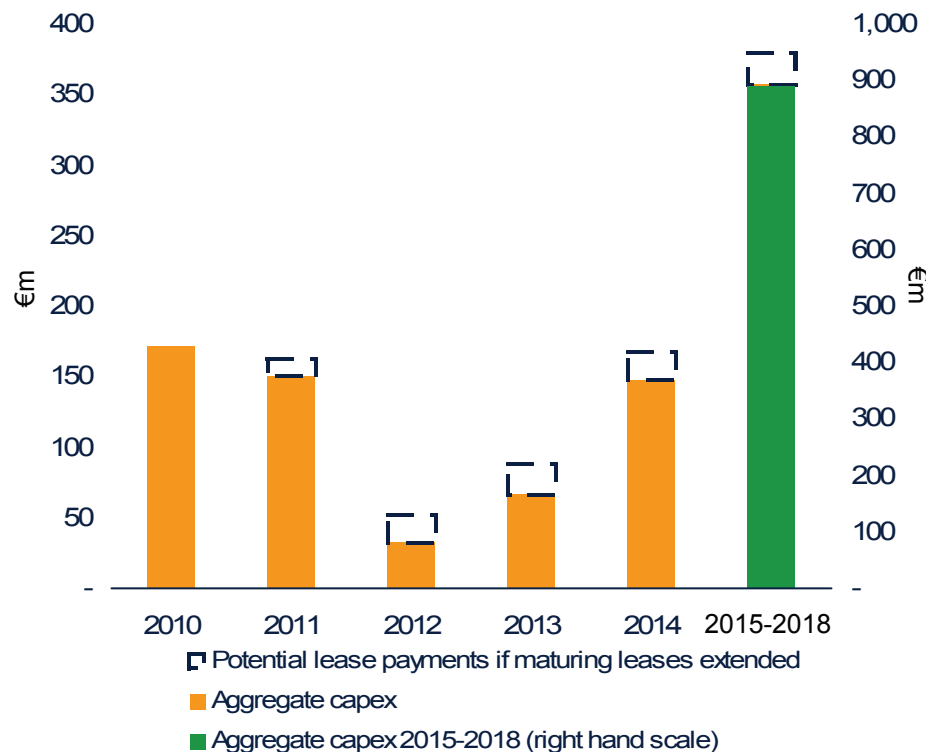
Cash and deposit maturity schedule



Source: Company information (unaudited)
 "Cash" balances comprise cash, deposits, current account balances and other investments





Aircraft capex and finance lease commitments as at 31 December 2009

Illustrative gross capex & lease spend – 2010 to 2018



Source: Company information (unaudited)

Note: Spend includes: Aircraft capex, forecast finance lease payments (principal only), non-aircraft capex which relates to backlog expenditure and potential finance lease payments if maturing leases are extended

-  Assumes cash payments for all forecast capex based on current fleet plans and assumes existing finance leases are extended on maturity where required
-  Ignores cash proceeds from disposal of surplus owned aircraft
-  Capex spend assumes an amount to deal with non-aircraft backlog in 2010 and 2011
-  Aircraft fleet is young – average age of 5.9 years

Medium term commitments covered by liquidity

2009 cash flow

- ✈ Over the course of 2009, Aer Lingus' gross cash reduced by c.€400m

- ✈ Four main drivers of the outflow:
 - 2009 operating loss

 - Payment for restructuring costs that had been provided for at the end of 2008

 - Finance raised for only one of the 2009 aircraft deliveries resulting in net cash outflow for capex of c.€100m

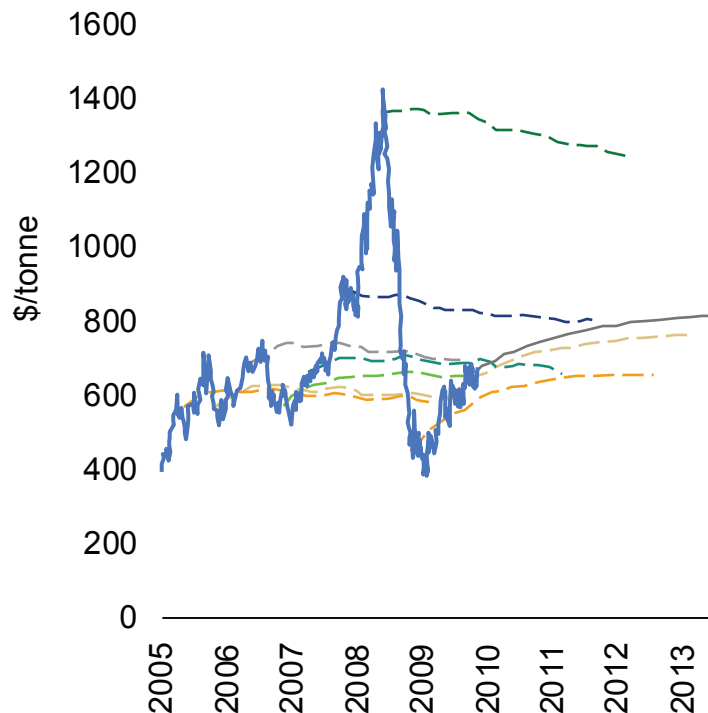
 - Repayment of maturing debt

- ✈ Aer Lingus has sufficient liquidity to meet its medium term requirements

Source: Company information (unaudited)

Fuel hedging

Actual historic & forward fuel prices 2005 – 2013



Source: Company information

(1) Excluding “intoplane” costs of \$50-\$60 per tonne

Hedging levels

	% hedged	Price ⁽¹⁾
2010	67%	\$772/tonne
2011	16%	\$762/tonne

- ✈ 2009 fuel cost €332m for 496,000 tonnes (2008: €401m for 539,000 tonnes)
- ✈ Until H1 2009, Aer Lingus’ hedging policy focused on:
 - Minimum hedge level
 - Strategic hedging of remaining risk
- ✈ From H2 2009 onwards, Aer Lingus has adopted a systematic approach to hedging

Revised approach to fuel price hedging should smooth underlying volatility

Currency hedging

- ✈ We hedge the future cost of aircraft purchases
- ✈ We are structurally short US\$ due to fuel & leasing payments but long Stg£ due to UK operations
- ✈ Policies require us to hedge 50% for the following 12 months and 25% for the subsequent 12 months on a calendar year basis. Further hedging is discretionary

	US\$m	Stg£m
2009 Position	(450)	60
2010 Hedges at 31/12/09	72%	50%
Hedge Rate	1.48	0.88

Source: Company information (unaudited)

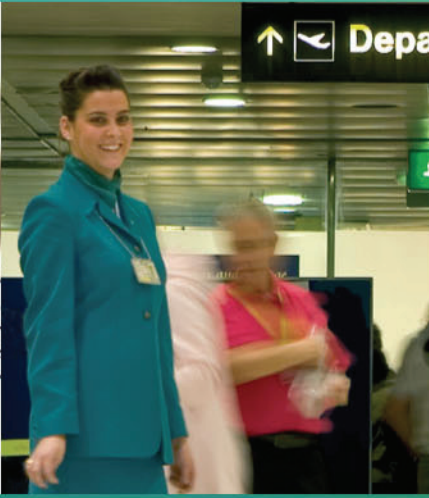
Considerations for 2010

- ✈ We are prepared for another year of tough market conditions – we expect revenues to continue to decline. In addition, Q1 bookings have been affected by bad weather
- ✈ Capacity reductions in Gatwick only after Q1 2010
- ✈ Any movement in currency exchange rate (Sterling / Euro) may impact top line and results
- ✈ Uncertainty of Air Traffic Controller labour relations
- ✈ Fuel costs should be lower than in 2009
- ✈ Airport charges are likely to be c.€20m higher but uncertainty about ability to pass departure tax and increased airport fees onto passenger without significant volume losses
- ✈ In-year benefits of Greenfield staff savings (assuming favourable ballots) of c.€40m. Exit run rate of c.€50m. Further staff savings to be delivered in 2011 and 2012. Total savings of €74m still expected to be achieved
- ✈ In-year benefits of non-staff Greenfield savings of €4m. Exit rate at end of 2011 expected to be €23m
- ✈ Interest income will be broadly offset by interest expense



- ✈ Full year 2009 results will be announced on 10 March 2010

2010 will be a year of transition to position Aer Lingus for recovery

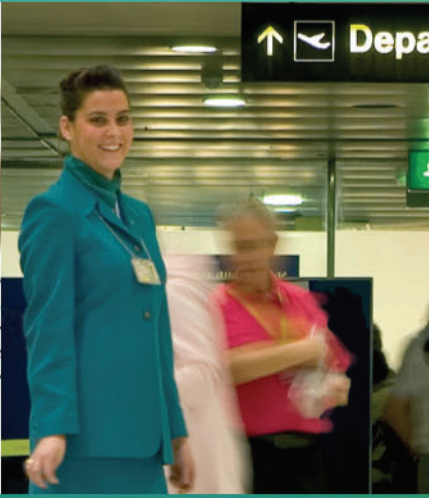


Summary

Christoph Mueller

Summary

- ✈ Fundamentally attractive airline
- ✈ Actions taken to enhance short term position
- ✈ Greenfield will dramatically alter the cost base
- ✈ Opportunities for profitable growth in the long term



Appendices

Appendix – Aer Lingus profile

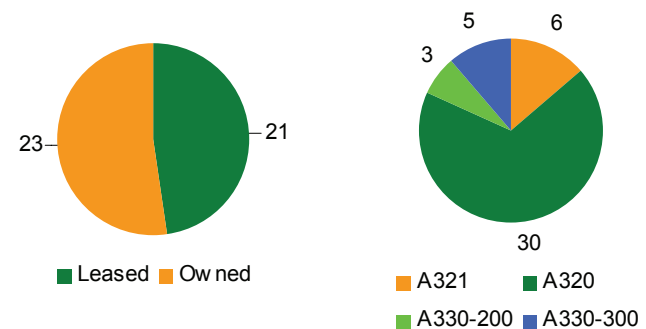
- ✈ A reminder, Aer Lingus in overview
 - Founded in 1936 by Irish Government. In October 2006, it was floated the Irish and London Stock Exchanges
- ✈ Award winning products & services offering
 - Passengers: contributes over 85% of revenue (2008) with both economy and business class offered
 - Ancillary services: including in-flight catering and magazine, hotel and car bookings. The sector has shown strongest revenue growth in past few years, 38% y-o-y in 2008
 - Cargo: transportation on both long and short haul routes with cargo handling also provided for other airlines from Irish bases
- ✈ Young modern aircraft
 - Short haul fleet: 6 Airbus A321s and 30 Airbus A320s; all economy class seating with 4 A320s for delivery from 2010
 - Long haul fleet: 8 Airbus A330 aircraft
- ✈ Global network
 - 80 routes to and from the United Kingdom and Continental Europe, and a long haul network to six destinations in the USA
 - Enhanced via partnerships with British Airways, jetBlue, KLM and recently United Airlines

Financial summary

€m	2007	2008	H1 2009 ⁽¹⁾
Revenue	1,285	1,357	555
<i>Passenger</i>	1,123	1,152	452
<i>Ancillary</i>	109	150	84
<i>Other</i>	53	56	19
EBIT (pre exceptionals)	79	(18)	(93)
Net profit	105	(108)	(74)

Source: Company information. Note (1): Unaudited 2009 numbers

Fleet overview (2009)



Source: Company information