

Earnings Release

Fourth Quarter and Full Year 2021 Results

Lisbon, Portugal, April 11, 2022: Transportes Aéreos Portugueses, S.A. (“TAP” or “Company”) informs on the fourth quarter 2021 (“4Q21”) and full year 2021 results.

The financial information presented in this document refers to the audited consolidated financial statements of TAP, which were prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union.

HIGHLIGHTS OF THE FOURTH QUARTER OF 2021

- Growth of passengers’ number to 2,399 thousand, + 13.8% vs 3rd quarter 2021 (“3Q21”).
- Increase of departures number to 22,358, + 8.4% vs 3Q21.
- Revenues of EUR 561.7 million, + 26.6% vs 3Q21.
- Recurring EBITDA of EUR 110.8 million, an increase of EUR 45.2 million vs 3Q21. This number shows the strong recovery of the 2nd half 2021.
- Restructuring plan approved by the European Commission on 21 December 2021 (“Restructuring Plan”) with a restructuring aid of EUR 2.55 bn (“Restructuring Aid”).
- Following the approval of the Restructuring Plan, non-recurring costs of EUR 1,034.5 million were recorded, mainly due to TAP – Transportes Aéreos Portugueses, SGPS, S.A., (“TAP SGPS” or “TAP Group”) group reorganization and decision to wind-down and close maintenance operations in Brazil.
- Cash position of EUR 812.6 million and gross financial debt (excluding lease liabilities without purchase option) of EUR 1.5 billion (a decrease of EUR 1.1 billion due to the conversion of the Portuguese Government loan into equity).

FINANCIAL REVIEW OF THE FOURTH QUARTER OF 2021

- **Number of carried passengers increased 13.8% in 4Q21 compared with the previous quarter**, more than 200% compared with the fourth quarter of 2020 (“4Q20”) and representing 51% of fourth quarter of 2019 (“4Q19”) levels. This increase reflects the **continuous path of demand recovery** and easing of mobility restrictions in markets where TAP operates, namely the US and Canada that only lifted restrictions to foreign travellers in November, and despite the negative short-term impact that Omicron variant had in the end of the quarter.
- **ASK increased 16.8% compared with the previous quarter** and more than doubled comparing to the homologous period of 2020, along with the Load Factor that improved 3.2 p.p. when compared with 3Q21 and 18.4 p.p. when compared with 4Q20. Compared to 4Q19, ASK were at 69.4% of 2019 level and Load Factor was 7.6 p.p. below.
- **Operating revenues increased by EUR 118.0 million (+26.6%)** when compared with the previous quarter achieving **EUR 561.7 million**, driven by an increase in RPK of around 22.3% when compared with 3Q21, as well as cargo revenue, which continued its good performance, growing 30.9% and 62.3% vs. 3Q21 and 4Q20, respectively. Maintenance revenue had a significant growth of 63.7% compared to 3Q21, and 13.2% when compared to 4Q20.
- **Recurring operating costs had an increase of 21.1% vs. 3Q21 (lower than the revenues increase of 26.6%)** which result from the rebound of activity but also from increases in impairments and D&A captions. The increase in activity was mainly felt in aircraft fuel caption, also penalized by the rise in jet fuel prices in this quarter. In opposition, there were considerable **decreases in some recurring operating captions**, namely employee costs and aircraft maintenance costs, decreasing by 15.5% and 49.4% vs. 3Q21, respectively, and by 27.5% and 54.0% vs. 4Q20, respectively.
- **Recurring EBITDA¹, registered a positive value of EUR 110.8 million in 4Q21**, which represents an increase of EUR 45.2 million (+69.0%) over the previous quarter and EUR 211.6 (->+200.0%) compared with the same period in 2020. **Recurring EBIT² registered a negative value of EUR 30.9 million**, an increase of 32.6% from the previous quarter. Compared with 4Q19 there was a decrease of EUR 34.2 million in Recurring EBIT and EUR 28.9 in Recurring EBITDAR.
- **Non-recurring costs** namely (i) restructuring costs of EUR 9.6 million and (ii) non-recurring items of EUR 1,024.9 million had a strong impact on results, being this last caption an impairment and cost in result of the restructuring measures at TAP Group level, including the decision to close maintenance in Brazil (“M&E Brasil”), in the context of the Restructuring Plan approval. As such, **Operating Result (EBIT) recorded a negative figure of EUR 1,065.5 million in 4Q21 and Net Income registered a negative figure of EUR 971.5 million in 4Q21**, reflecting the impact of these non-recurring costs.
- **Balance sheet presented a strong cash and cash equivalents position of EUR 812.6 million** at the end of the quarter, due to the capital increase of EUR 536 million (in the sequence of the Restructuring Aid approval and COVID Damages Compensations approval).

¹ Recurring EBITDA = Operating Result + Restructuring Costs + Non recurring items + Depreciation, amortization and impairment losses.

² Recurring EBIT = Operating Result + Restructuring Costs + Non recurring items.

- Actually, the last quarter of 2021 was marked by the **approval by the European Commission of TAP's Restructuring Plan with a Restructuring Aid of EUR 2.55 billion** and also the COVID-19 Damages Compensations of EUR 178.5 million aid (period 1 July 2020 - 31 March 2021). Restructuring Plan was submitted to the European Commission on 10 December, 2020, setting out the pillars and strategic lines for TAP's sustainability and profitability in a post-pandemic scenario, with the adaptation of the workforce, routes, fleet and product. Following these approvals by the European Commission, there were some transactions in TAP's equity captions as of 30 December 2021 which resulted in a capital increase by the Portuguese Republic, through the **Directorate General of the Treasury and Finance ("DGTF")**, becoming this entity the **Company's sole direct shareholder**.

2021 FULL YEAR RESULTS

- Despite the challenging beginning of 2021, when many countries faced strong mobility restrictions, and Omicron variant disruptions in the year-end, **the recovery of the operation continued throughout 2021**, as more markets reopened and vaccination progressed worldwide, **with passenger numbers growing 25.1% (YoY)**, circa 34.2% of 2019 level. Likewise, the demand (measured in RPK) increased by 25.6% (YoY), despite being still 35.5% of 2019 figures. In line with the recovery in the number of passengers, also **passenger revenue increased by 25.8% in 2021**, above the **global industry expected passenger revenue growth of 20.1%** (according to IATA).
- **Operating revenues reached EUR 1,388.5 million, an increase of EUR 328.4 million (+31.0%) compared to 2020 operating revenues**. Apart from the increase in passenger revenue of EUR 218.8 million, this figure was particularly favored by the increase of cargo and mail revenues, which has soared by 88.0% (EUR 110.5 million), fully offsetting the decline in maintenance revenue of EUR 13.7 million YoY (-20.1%).
- **Recurring operating costs amounted to EUR 1,866.5 million in 2021, which represents a decrease of EUR 52.1 million (-2.7%)** when compared to the same period in 2020 given that most of the recurring operating costs line captions increased at slower pace than operational income, starting to reflect the restructuring measures undertaken by the Company namely employee costs (EUR -46.3 million and -11.0% YoY), aircraft maintenance costs (EUR -5.0 million and -20.5% YoY) and cost of materials consumed (EUR -10.1 million and -25.1% YoY). The decrease in employee costs reflects already the gradual exit of 1,480 employees throughout the year and the cuts in salaries that started in March 2021.
- **Recurring EBIT reduced the 2020 loss in EUR 380.4 million to EUR -478.0 million in 2021, with Recurring EBITDA amounting to EUR 11.7 million** (2nd half of 2021 had a positive Recurring EBITDA of EUR 176.4 million). **Net Income adjusted from non-recurring items** (including tax adjustments) would be **EUR -760.14 million in 2021 (an increase of EUR 363.3 million compared to 2020)** being the 2H21 only accountable for 31% of this loss.
- In the 4Q21 in the context of the **Restructuring**, TAP took the decision to wind-down and close maintenance operations in Brazil. Also following the **Restructuring Plan approval and reorganization of TAP SGPS**, TAP recorded a **non-recurring cost item of EUR 1,024.9 million** impacting results. **Operating Result (EBIT) after non-recurring captions registered a decrease of EUR 523.9 million YoY to EUR -1,488.7 million in 2021**. Also, **Net Income for the year was negative in EUR 1,599.1 million**. It should be also highlighted the negative net impact from exchange rate differences (EUR 175.5 million) related with the depreciation of the EUR against the USD (with a strong impact on future rents and, therefore, non-cash in this year), and also the depreciation of the BRL against the EUR. On the other hand, jet fuel net hedging result had a positive impact of EUR 8.7 million.
- Concerning **liquidity**, like the previous year, 2021 was equally challenging and TAP kept focusing on its measures to protect liquidity **benefiting from the May and December 2021 capital increases of EUR 462 million and EUR 536 million**, respectively (in the context of the COVID Damages Compensations aid and Restructuring Aid). **As such, TAP ended the year with EUR 812.6 million in cash** (+57% than in the beginning of the year).
- Regarding network, throughout 2021, besides reopening destinations that were closed, **TAP launched new destinations**, such as: Montreal, Cancun, Punta Cana, Maceió, Zagreb, Ibiza, Fuerteventura, Agadir, Oujda, Monastir and Djerba. On operating fleet, **TAP went through a net reduction of 2 aircraft down to 94**, with the phase-out of 2 Airbus A330ceo, 3 Airbus A320ceo and 2 Airbus A319ceo, while 5 new generation aircraft phased-in (2 A321neo LR and 3 A320neo), with TAP successfully securing financing arrangements for these aircraft. **By the end of 2021, 66% of the mid- and long-haul operational fleet consisted of NEO-family aircraft** (compared to 57% by 31 December 2020 and 43% by 31 December 2019).

SUBSEQUENT EVENTS

CHANGES TO THE COMPOSITION OF THE SUPERVISORY BOARD

- By letter addressed to the Chairman of the Supervisory Board, dated 25 November 2021, Mrs. Maria de Fátima Castanheira Cortês Damásio Geada resigned to her office as a member of the Supervisory Board of TAP, for personal reasons, effective on 31 December 2021. In the impossibility of carrying out her direct replacement by the alternate member of the Supervisory Board of TAP, in light of the provisions of Law No. 62/2017, of 1 August, which determines the regime of balanced representation between women and men in the management and supervisory bodies of public sector entities and listed companies, a new female member will have to be appointed to TAP's Supervisory Board.
- By letter addressed to the Company dated 7 January 2022, Mr. Sérgio Sambade Nunes Rodrigues resigned to his office as a member of the Supervisory Board of TAP. Under article 415 of the Portuguese Companies Code, the resigning member was replaced by the appointed alternate member, Mr. José Manuel Fusco Gato, who will remain in office as a substitute for the effective member until new appointment or until the first annual meeting in which the vacancies are filled.

RESIGNATION FROM A MEMBER OF THE BOARD OF DIRECTORS

- On 4 February 2022, by letter addressed to the Company, Alexandra Reis, member of the Company's Executive Committee and Board of Directors resigned from her position. Pursuant to her resignation letter, this resignation became effective on 28 February 2022.

EUROPEAN COMMISSION DECISIONS

- European Commission has released the non-confidential version of Decision SA.60165-2021/C (ex 2021/N) of the Commission, on the state aid for the restructuring of TAP, dated 21 December 2021 ("Decision"), available for consultation here:

https://ec.europa.eu/competition/state_aid/cases1/202207/SA_60165_C036DE7E-0000-C67F-9BD8-F585BE03EBD8_300_1.pdf

- As provided under said Decision, TAP has appointed ALCIS ADVISERS GmbH, represented by David Cayet (david.cayet@alcis-advisers.com) and Dr. Ulrich Puls (ulrich.puls@alcis-advisers.com), with registered office at Fasanenstr. 73, D - 10719 Berlin, Germany, as the Monitoring Trustee, to monitor TAP's compliance with the commitments undertaken by the Portuguese Republic under the Decision and report to the European Commission thereon.
- The European Commission also released the non-confidential versions of Decisions SA.63402 (2021/N) and SA.100121 (2021/N) of the Commission, on Covid-19 compensation, dated 21 December 2021 and 22 December 2021 respectively, available for consultation here:

(i) https://ec.europa.eu/competition/state_aid/cases1/202207/SA_63402_707CDD7E-0000-CA6C-809D-D1F10FE7FD93_119_1.pdf

(ii) https://ec.europa.eu/competition/state_aid/cases1/202207/SA_100121_4079DD7E-0000-C66B-9F23-0A41120D99DA_50_1.pdf

UKRANIAN – RUSSIA CONFLICT

- In February 2022 the Russian Federation initiated a military action in the Ukrainian territory that originated a war in the European territory. This event has been originating relevant macroeconomic impacts in particular in the international financing markets namely interest rates increase as well as a price increase in fuel costs, including jet fuel that recorded a growth of more than 30% since the beginning of the war, and in a set of goods and services which generating an increasing inflation.
- Additionally, the conflict has originated mobility restrictions in that region and proximities, being those restrictions in place on the date of these financial statements' approval as well as economic, financial and other sanctions to the Russian Federation and to individuals associated with the Russian government by Europe, USA and other countries, as well as impacts in people, goods and financial flows.
- The conflict and the referred sanctions have high uncertainty in its duration, extension and impact, being not possible to predict its eventual effects and their duration including impacts in inflation and fuel prices in the coming months and years.

DETAILS FOR TAP'S FY21 EARNINGS CONFERENCE CALL

- **Date:** April 11, 2022
- **Start time:** 14:00 PM (GMT+1) Lisbon Time
- **Speakers:**
Christine Ourmières-Widener (Chief Executive Officer)
Gonçalo Pires (Chief Financial Officer)

- **Webcast and dial-in:**

For details on the webcast and dial-in, please pre-register using the following link:

<https://www.incommglobalevents.com/registration/client/10237/tap-fy-2021-earnings-call/>

This call is directed for investors and financial analysts.

MAIN OPERATING INDICATORS

TAP, S.A. Consolidated	4Q21	3Q21	4Q20	Change (%)		FY21	FY20	Change	
				4Q21 vs 3Q21	4Q21 vs 4Q20			Value	%
Passenger ('000)	2,399	2,107	795	+13.8%	>+200%	5,827	4,657	1,170	+25.1%
RPK (million)	6,456	5,277	2,138	+22.3%	>+200%	14,917	11,876	3,041	+25.6%
ASK (million)	9,240	7,914	4,153	+16.8%	+122.5%	23,663	18,376	5,287	+28.8%
Load Factor (%)	69.9	66.7	51.5	+3.2 p.p.	+18.4 p.p.	63.0	64.6	-1.6 p.p.	n.m.
Block Hours	72,114	63,578	33,894	+13.4%	+112.8%	195,636	147,213	48,423	+32.9%
Number of Departures	22,358	20,622	10,500	+8.4%	+112.9%	61,664	47,900	13,764	+28.7%
Average Stage Length (km)	2,174	2,079	2,205	+4.6%	-1.4%	2,147	2,044	103	+5.0%
Active Staff (end of period) ¹⁾	6,626	6,690	8,106	-1.0%	-18.3%	6,626	8,106	-1,480	-18.3%

1) Excludes staff not placed and not active.

OPERATING FLEET AS OF DECEMBER 31, 2021 ¹⁾



1) Operating fleet may differ from total fleet, as it includes aircraft in phase-in and phase-out process.

2) White and Portugália's fleet, operated under wet-lease agreements.

INCOME STATEMENT FOR 4Q21 AND FY21

TAP, S.A. Consolidated EUR million	4Q21	3Q21	4Q20	Change (%)		FY21	FY20	Change	
				4Q21 vs 3Q21	4Q21 vs 4Q20			Value	%
Operating Income	561.7	443.7	218.9	+26.6%	+156.6%	1,388.5	1,060.2	328.4	+31.0%
Passenger	458.4	368.5	148.4	+24.4%	>+200%	1,067.2	848.4	218.8	+25.8%
Maintenance	23.2	14.2	20.5	+63.7%	+13.2%	54.2	67.9	-13.7	-20.1%
Cargo and mail	74.7	57.0	46.0	+30.9%	+62.3%	236.2	125.7	110.5	+88.0%
Other operating income	5.4	4.0	4.1	+35.8%	+33.6%	30.9	18.2	12.7	+69.4%
Operating Costs	1,627.2	489.5	573.5	>+200%	+183.7%	2,877.2	2,024.9	852.3	+42.1%
Aircraft fuel	141.5	102.0	54.1	+38.8%	+161.5%	340.5	260.5	80.0	+30.7%
Traffic operating costs	127.1	122.5	69.9	+3.8%	+81.7%	372.2	350.8	21.4	+6.1%
Employee costs	78.4	92.7	108.0	-15.5%	-27.5%	373.4	419.7	-46.3	-11.0%
Aircraft maintenance costs	3.2	6.4	7.1	-49.4%	-54.0%	19.4	24.4	-5.0	-20.5%
Cost of materials consumed	15.2	7.1	4.2	+114.6%	>+200%	30.2	40.3	-10.1	-25.1%
Commercial, communication and marketing costs	29.4	18.6	10.0	+58.6%	+195.1%	71.4	69.2	2.2	+3.2%
Impair. losses in inventories, receiv. and provisions	21.3	0.4	35.0	>+200%	-39.3%	51.4	44.1	7.3	+16.7%
Other operating expenses	34.9	28.5	31.5	+22.3%	+10.9%	118.3	125.0	-6.7	-5.3%
Restructuring	9.6	0.0	93.7	>+200%	-89.8%	-14.2	96.1	-110.3	-114.8%
Other non recurrent items	1,024.9	0.0	4.3	n.m.	>+200%	1,024.9	10.3	1,014.7	>+200%
Depreciation, amortisation and impairment losses	141.7	111.4	155.7	+27.2%	-9.0%	489.7	584.7	-95.0	-16.2%
EBIT (Operating Result)	-1,065.5	-45.9	-354.6	n.m.	n.m.	-1,488.7	-964.8	-523.9	n.m.
EBIT margin	-189.7%	-10.3%	-162.0%	<-100p.p.	-27.7p.p.	-107.2%	-91.0%	-16.2 p.p.	n.m.
Recurring EBIT ¹⁾	-30.9	-45.9	-256.6	n.m.	n.m.	-478.0	-858.4	380.4	n.m.
Recurring EBIT margin	-5.5%	-10.3%	-117.2%	+4.8p.p.	>+100p.p.	-34.4%	-81.0%	+46.5 p.p.	n.m.
Interest and similar income	8.7	8.6	8.4	+1.2%	+3.9%	34.0	33.6	0.4	+1.2%
Interest and similar expenses	-67.7	-76.7	-67.9	-11.7%	-0.3%	-293.6	-245.8	-47.8	+19.4%
Overhedge Gains / Losses	0.0	0.0	-22.4	n.m.	-100.0%	8.7	-165.3	174.0	+105.2%
Net currency exchange	-50.2	-62.4	122.5	+19.6%	-141.0%	-175.5	162.1	-337.6	<-200%
Earnings before taxes	-1,174.6	-176.3	-313.9	n.m.	n.m.	-1,915.1	-1,180.2	-734.9	n.m.
Income tax	203.1	41.8	-215.7	>+200%	+194.2%	316.0	-50.1	366.1	>+200%
Net income/ (loss)	-971.5	-134.5	-529.6	n.m.	n.m.	-1,599.1	-1,230.3	-368.9	n.m.
EBITDA ²⁾	-923.7	65.6	-198.9	n.m.	n.m.	-999.0	-380.1	-618.9	n.m.
EBITDA margin	-164.4%	14.8%	-90.8%	<-100p.p.	-73.6p.p.	-71.9%	-35.9%	-36.1 p.p.	n.m.
Recurring EBITDA ³⁾	110.8	65.6	-100.8	+69.0%	n.m.	11.7	-273.7	285.5	n.m.
Recurring EBITDA margin	19.7%	14.8%	-46.1%	+4.9p.p.	+65.8p.p.	0.8%	-25.8%	+26.7 p.p.	n.m.

1) Recurring EBIT = Operating Result + Restructuring Costs + Non recurring items.

2) EBITDA = Operating Result + Depreciation, amortisation and impairment losses.

3) Recurring EBITDA = Operating Result + Restructuring Costs + Non recurring items + Depreciation, amortization and impairment losses.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2021 AND DECEMBER 31, 2020

TAP, S.A. Consolidated EUR million	31-Dec-21	31-Dec-20	Change	
			Value	%
ASSETS				
Non-current Assets				
Tangible assets	2,955.1	2,944.3	10.8	+0.4%
Investment properties	1.6	1.5	0.1	+4.7%
Intangible assets	23.5	24.9	-1.4	-5.6%
Investments in associates	0.2	0.2	-	+0.0%
Deferred tax assets	363.5	129.1	234.5	+181.6%
Other non current assets	23.4	24.3	-0.9	-3.6%
Other receivables	112.1	92.2	19.9	+21.6%
Total Non-current Assets	3,479.3	3,216.4	263.0	+8.2%
Current Assets				
Inventories	56.6	80.2	-23.6	-29.5%
Clients and Other receivables	347.7	1,115.6	-767.9	-68.8%
Income tax receivable	-	0.3	-0.3	n.m.
Other current assets	21.9	26.0	-4.0	-15.6%
Cash and cash equivalents	812.6	518.8	293.8	+56.6%
Total Current Assets	1,238.7	1,740.7	-502.0	-28.8%
Total Assets	4,718.1	4,957.1	-239.0	-4.8%
EQUITY AND LIABILITIES				
EQUITY				
Share Capital	904.3	41.5	862.8	>+200%
Supplementary contributions and other capital instruments	-	154.4	-154.4	-100.0%
Legal reserves	8.3	8.3	-	+0.0%
Hedge reserves	0.2	-22.9	23.1	+100.8%
Other reserves	-0.2	-0.2	-	+0.0%
Retained earnings	218.4	-105.0	323.5	>+200%
Group Net income/(loss)	-1,599.1	-1,230.3	-368.9	-30.0%
Total Equity	-468.1	-1,154.3	686.2	+59.4%
LIABILITIES				
Non-current Liabilities				
Provisions	312.9	109.0	203.9	+187.2%
Provisions for restructuring	37.0	93.2	-56.2	-60.3%
Loans	795.7	596.0	199.7	+33.5%
Lease liabilities with purchase option	488.9	397.2	91.7	+23.1%
Lease liabilities without purchase option	1,683.0	1,611.4	71.6	+4.4%
Post-employment benefits obligations	89.3	109.6	-20.3	-18.5%
Deferred tax liabilities	34.0	108.0	-74.0	-68.5%
Other payables	-	-0.0	0.0	n.m.
Total Non-current Liabilities	3,440.9	3,024.4	416.5	+13.8%
Current Liabilities				
Loans	141.5	345.0	-203.5	-59.0%
Loan from Portuguese Government	-	1,210.8	-1,210.8	n.m.
Lease liabilities with purchase option	54.8	41.3	13.4	+32.4%
Lease liabilities without purchase option	435.6	427.3	8.3	+1.9%
Suppliers and Other payables	406.2	386.5	19.6	+5.1%
Income tax payable	0.1	0.0	0.1	>+200%
Liabilities from unused flight documents	643.6	602.0	41.6	+6.9%
Other current liabilities	63.7	74.0	-10.4	-14.0%
Total Current Liabilities	1,745.3	3,087.0	-1,341.7	-43.5%
Total Liabilities	5,186.1	6,111.4	-925.2	-15.1%
Total Equity and Liabilities	4,718.1	4,957.1	-239.0	-4.8%
Financial Debt	1,480.9	2,590.4	-1,109.5	-42.8%
Bank Loans & Bonds	937.2	941.0	-3.8	-0.4%
Portuguese State Loan	-	1,210.8	-1,210.8	n.m.
Lease liabilities with purchase option	543.7	438.6	105.1	+24.0%
Cash and cash equivalents	812.6	518.8	293.8	+56.6%
Net Financial Debt	668.3	2,071.6	-1,403.3	-67.7%
Lease liabilities without purchase option	2,118.5	2,038.6	79.9	+3.9%

CONSOLIDATED STATEMENT OF CASH FLOWS FOR 2021 AND 2020

TAP, S.A. Consolidated EUR million	31-Dec-21	31-Dec-20
OPERATING ACTIVITIES		
Receipts from customers	1,433.0	1,230.2
Payments to suppliers	-1,070.3	-1,123.3
Payments to employees	-407.0	-437.9
Payments of low value and short-term leases	-5.7	-6.2
Cash generated from operations	-50.0	-337.2
Income Tax (payments)/receipts	-0.0	-0.3
Other (payments)/receipts relating to operating activities	21.3	24.6
Cash flow from operating activities (1)	-28.6	-312.9
INVESTMENT ACTIVITIES		
Receipts from:		
Other financial assets	28.0	16.5
Tangible fixed assets	38.7	1.0
Investment subsidies	-	0.8
Loans granted	883.4	842.0
Interests and similar income	35.0	34.6
Total receipts	985.1	894.9
Payments relating to:		
Other financial assets	-100.8	-108.1
Tangible fixed assets	-57.1	-54.5
Intangible assets	-5.4	-7.9
Loans granted	-930.8	-889.5
Total payments	-1,094.1	-1,060.0
Cash flow from investment activities (2)	-108.9	-165.1
FINANCING ACTIVITIES		
Receipts from:		
Borrowings	-	1,225.0
Capital increases, supplementary capital contributions and share issuance premium	998.0	-
Lease liabilities with purchase option	-	16.3
Total receipts	998.0	1,241.3
Payments relating to:		
Borrowings	-16.4	-179.7
Lease liabilities with purchase option	-34.4	-35.7
Lease liabilities without purchase option	-412.5	-213.6
Interests and similar costs	-61.4	-62.0
Interest elements of lease liabilities without purchase option	-31.1	-32.4
Overhedge fuel derivatives	-11.6	-145.0
Total payments	-567.4	-668.4
Cash flow from financing activities (3)	430.6	572.9
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (1)+(2)+(3)	293.1	94.9
EFFECT OF CURRENCY EXCHANGE DIFFERENCES	0.7	-2.4
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	518.8	426.3
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	812.6	518.8

GLOSSARY

ASK: Available seat kilometer; total number of seats available for sale multiplied by the number of kilometers flown.

Block Hours: Number of hours between departure and arrival of a flight, measured from the time the chocks are off or on.

Load Factor: Total number of revenue passenger-kilometers (RPK) divided by the total number of available seat-kilometers (ASK).

RPK: Revenue passenger kilometer; total number of passengers multiplied by the number of kilometers flown.

Wet lease: Contract in which an airline provides the aircraft, the complete crew, carries out maintenance and covers the aircraft insurance (ACMI – Aircraft, Crew, Maintenance and Insurance), receiving, in return, the payment for the hours operated. The company that contracts this service covers the remaining costs such as fuel, airport fees and reservations.

YoY: Year-on-year; meaning, the change from the same period of the previous year.

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