



**AEGEAN AIRLINES S.A.**

**Societe Anonyme Reg. No.: 32603/06/B/95/3  
31 Viltanioti Street, Kifissia, Attica**

**Interim Financial Statements  
for the period  
(1 January 2009 to 30 June 2009)**

In accordance to art. 5 of Law 3556/2007 and the Board of Directors'  
Resolutions of the Hellenic Capital Market Commission

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**A. Statements of the Board of Directors Representatives  
(in accordance to art. 5 paragraph 2 of Law 3556/2007)**

It is hereby stated that, to the best of our knowledge the Interim Financial statements of "Aegean Airlines S.A." for the period 1 January 2009 to 30 June 2009 which were prepared in accordance to the International Financial Reporting Standards, they truly reflect all Assets, Liabilities and Shareholders Equity along with the Profit & Loss Statement of the Company in accordance to the provisions of article 5 paragraphs 3 to 5 of Law 3556/2007.

It is also declared that, to the best of our knowledge the Board of Directors Interim Semi Annual Report truly reflects the information disclosures required by article 5 paragraph 6 of Law 3556/2007.

Kifissia, 28 August 2009

The undersigned

Theodore Vassilakis

Dimitrios Gerogiannis

Eftichios Vassilakis

Chairman

Chief Executive Officer

Vice Chairman

**B. SEMI ANNUAL REPORT OF THE BOARD OF DIRECTORS****of the company "AEGEAN AIRLINES S.A."****for the period 1 January 2009 to 30 June 2009**

The present report contains in brief financial information of the company "AEGEAN AIRLINES S.A." for the first half of the current financial period, important events that incurred during the period and their impact on the semi annual financial statements, a description of the main risks and uncertainties which the Company may face in the second half of 2009 and finally, material transactions between related parties.

**1. Financial review, business developments and major events for the first half of 2009.**

During the first half of 2009 the global financial crisis continued to adversely affect the aviation sector internationally with an extremely negative impact on the profitability and future outlook. The weak demand has forced the airline operators to continue reducing their capacities and average fares as well as to revise their development business plans.

Despite this unfavorable economic environment the Company's financial results during the first half of 2009 have improved mainly due to the gradual maturity and establishment of the recently introduced new routes, market share increase in most routes and the commencement of benefits' realization of the fleet renewal program with new Airbus A320 aircraft.

In particular, total revenue in the first half of 2009 was € 275,4 m. compared to € 262,7 m. in 2008 (5% increase). Company's profitability was favorably impacted by the reduction of fuel costs by 35% or by € 23,5 m. and it was € 43,3 m. compared to € 66,8 m. in 2008. Earnings before taxes, finance costs, depreciation & amortization and aircraft' leasing costs (EBITDAR) were € 42,5 m. from € 29,6 m. in 2008 (44% increase). Earnings before interest, taxes, depreciation and amortization (EBITDA) were € 13,3 m. from € 8,7 m. in 2008 (53% increase). Earnings before taxes increased by 135% reaching € 18,2 m. Compared to € 7,7 m. in 2008 while earnings after taxes increased by 143% at € 13,4 m. from € 5,5 m. in 2008.

During the first half of 2009 the Company sold and leased back 4 Airbus aircraft. The proceeds from the transaction were € 3.855,41 thousand. There was also a foreign exchange difference loss € 297,98 thousand; therefore the final result from the sale and lease back of the 4 aircraft was € 3.557,43 thousand (profit).

In January 2009 the Company acquired 25% of the share capital of the companies: Newrest Inflight Services Hellas S.A., Macedonia Catering S.A. and Abela Hellas Catering Services S.A. In March 2009 the Company sold the total of the above shareholdings to NEWREST GROUP HOLDING SL. The result of this transaction was a total profit of € 4.409,35.

Non current assets value was marginally increased to € 171,2 m. from € 169,8 m. in 2008.

It is highlighted here that the financial and operating results of the Company and the sector's in general, are highly affected by seasonality with the most important quarter of the period regarding passenger traffic being historically the third quarter.

Income from scheduled flights increased by 2%, representing 85% of the total income (excluding passengers' airport charges).

Income from charter flights represents 9% of the total income (excluding passengers' airport charges) and reached € 21,2 m.

The Company transferred in total 2,9 million passengers during the first half of 2009 compared to 2,6 million in 2008, a 9% growth. Total flights for the same period increased by 12%, totaling to 29.922.

Domestic routes passengers transferred for the first half of 2009 were 1,7 million, an increase of 3% compared to 2008. A significant growth of 20% was achieved in the international routes where transferred passengers reached 1,2 million, resulting in improved market shares in the majority of the international markets where the Company is operating.

The Company services 17 domestic destinations in Greece and 19 international destinations through 48 scheduled routes and 200 flights per day. In addition the Company operates a significant number of seasonal charter flights for other tour operators.

The Company in the first half of 2009 continued the implementation of its strategy, adding new international routes from Athens to Brussels, Berlin, Barcelona, Venice and Paphos, while a second daily flight was added in Paris

Also, within the framework for further development of its international network, the Company announced the introduction of a new daily service from Athens to Istanbul from September 2009.

Within the first half of 2009 the Company continued its fleet renewal program by accepting delivery of 8 new Airbus aircraft type A320 (6 A320 and 2 A321). At the same time it redelivered 4 Boeing 737 to their owners. As a result, the Company's fleet consists of 31 aircraft as follows:

- 17 Airbus A320
- 4 Airbus A321
- 6 Avro RJ 100
- 4 Boeing 737

In order to maintain fleet flexibility to better cope with the global financial crisis the Company agreed in June 2009 with Airbus to amend the delivery time at a later date of 3 aircraft as follows:

- Initial delivery time : February 2010  
March 2010  
April 2010
- New delivery time : 1<sup>st</sup> quarter 2014  
1<sup>st</sup> quarter 2014  
2<sup>nd</sup> quarter 2014

Finally, in May 2009 the Company's application to join the world's largest airline alliance - Star Alliance was approved. Joining Star Alliance, the Company will benefit from economies of scale in terms of routes, higher brand awareness especially in abroad as well as convergence of the customer loyalty programs of the airline members of Star Alliance.

- **Key Performance Indicators**

The Company follows the policy of assessing its results and efficiency on a monthly basis, locating deviation from the budget timely and taking the necessary corrective measures.

The Company evaluates its performance (amongst others) through the following ratios, commonly used in the airline industry:

RASK (Revenue per Available Seat Kilometer): The index divides the total income by the total seats available for sale multiplied by the total kilometers flown.

CASK (Cost per Available Seat Kilometer): The index divides the total operating expenses by the total seats available for sale multiplied by the total kilometers flown.

Passenger yield: The index divides the total income from passengers carried by the total passengers multiplied by the total kilometers flown.

The aforementioned indices for the first half of 2009 compared to the first half of 2008 were as follows:

(in € cents)	First half 2009	First half 2008
RASK	7,4	9,7
CASK	6,9	9,4
Passenger yield	12,0	14,4

RASK and CASK ratios reduced by 24% and 27% respectively compared to 2008 mainly as a result of significantly lower oil prices which reduced accordingly the fuel surcharge income as well as the Company's fuel costs.

## 2. Prospects – Risks for the second half of 2009

### - Prospects

The prospects during the second half of 2009 are expected to be largely affected by the continuance of the global financial crisis which will continue to affect adversely the demand for air transport. Also the recent increase in oil prices is expected to have an additional negative effect in the aviation industry. The Company's view is that the effect in the financial results due to the adverse economic conditions is expected to have a stronger impact during the second half of 2009.

Despite all these, due to the necessary actions already been taken – investments in fleet renewal, competitive cost structure, sound capital structure, market positioning in most operating markets – the Company expects that will manage to cope successfully through the crisis and mitigate the negative impacts, continuing its focus and implementation of the following 4 strategic targets:

- a) International routes network expansion,
- b) Completion of its fleet renewal program,
- c) Improvement of the offered services and
- d) Effective management of costs and revenue.

In July 2009 the Company announced its intention to participate and submit an offer in the tender under protocol number D1/B/21564/1749/10.6.2009 Invitation for the submission of offers, published by the Hellenic Republic in accordance with articles 16, 17 and 18 of EC Regulation No 1008/2008 for the operation of scheduled air services in 24 routes in accordance with public service obligations.

### - Risks

#### Foreign exchange risk

The Company incurs a substantial portion of its expenses, such as aviation fuel, aircraft lease expenses, distribution costs, spare parts, maintenance expenses and aviation insurance premiums in U.S. dollars, whereas it generates most of its revenues in euro. Appreciation of the euro versus the U.S. dollar positively impacts operating profit because the euro equivalent of the U.S. dollar operating expenses decreases, while depreciation of the euro versus the U.S. dollar negatively impacts the Company's operating profit. As of 30 June 2009, the Company had entered into currency contracts to hedge its estimated requirements of U.S. dollars with respect to 41% on average of the projected needs for the period 2009-2010. Cover levels are monitored and reviewed on an ongoing basis in light of market developments and the overall needs of the business. Despite the foreign exchange risk hedging policies, substantially adverse movements of the U.S. dollar could potentially have a material negative impact in the business activity, financial status and operating result of the Company.

#### Interest rate risk

The Company is exposed to interest rate fluctuations risk through its bank deposits and financing obligations as well as through the aircraft finance leases agreed on a floating interest rate.

The Company's policy is to minimize its exposure to cash flow risk from interest rate fluctuations relating to its aircraft finance leases.

On 30 June 2009, the Company has hedged its exposure to cash flow risk from interest rate fluctuations for two out of the three aircraft finance leases which account for 65,3% of its total finance lease obligations capital.

#### Jet fuel risk

The Company is exposed to the fluctuations of the price of oil which directly influences the price of jet fuel. To manage this risk the Company imposes when necessary, fuel surcharges on domestic and international fares whilst also enters derivative contracts on oil products in order to hedge part of its projected jet fuel needs.

#### Credit risk

In order to be protected against credit risk, the Company monitors on a regular basis its trading receivables and whenever necessary, assesses the insurance of the receivables collection, mainly through factoring. The risk however still remains low under the current conditions

**Liquidity risk**

The continuous monitoring of liquidity risk presupposes substantial cash balances. The Company manages the aforementioned risk by maintaining adequate cash available, directly liquid securities and sufficient credit lines from the banks as well as from suppliers, always with reference to its operational, investment and financial needs.

**3. Related parties transactions**

The Company's transactions with related parties during the first half of 2009 were on usual commercial terms and they had no substantial movement from the relevant previous period.

The most significant transactions of the Company with related parties according to IAS 24, are transactions with companies owned by the majority shareholder, immaterial for the size of the Company and they appear on the following table:

Amounts in thousand euros	<b>Income</b>	<b>Expenses</b>	<b>Receivables</b>	<b>Liabilities</b>
AUTOHELLAS HERTZ S.A. (cars and property leasing)	112,91	591,81	18,28	111,64
TECHNOCAR S.A.	8,12	17,57	7,55	12,58
VACAR S.A.	3,35	2,07	3,52	0,83
VELMAR S.A.	10,11	91,65	16,48	20,25

Finally, the compensation of the Company's directors' and Board of Directors' members were for the period 1/1-30/06/2009 € 2.267,52 thousand while as at 30/06/2009 the liabilities of the Company to the directors' and Board of Directors' members were € 768,64 thousand and receivables of the Company from directors' and Board of Directors' members were € 7,55 thousand.

Chief Executive Officer  
of AEGEAN AIRLINES S.A.

Dimitrios Gerogiannis

**C. AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS**

To the Shareholders of "AEGEAN AIRLINES S.A."

**Introduction**

We have reviewed the accompanying statement of financial position of "Aegean Airlines S.A." as at 30 June 2009, and the related statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes that constitute the interim condensed financial information, which is an integral part of the interim financial report under article 5 of L. 3556/2007. Management is responsible for the preparation and presentation of this interim condensed financial information in accordance with International Financial Reporting Standards as adopted by the European Union (EU) and apply to interim financial information ("IAS 34"). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", to which the Greek Auditing Standards refer. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Greek Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard "IAS 34".

**Report on Other Legal Requirements**

From our review we ascertained that the content of the interim financial report under article 5 of Law 3556/2007 for the six month period ended 30 June 2009, is consistent with the accompanying condensed financial information.

**Athens, 28 August 2009**

**Panagiotis K.Vroustouris  
Certified Public Accountant Auditor  
Reg.Number 12921  
12A Doridos – Holargos Athens Greece**



**D. INTERIM SEMI ANNUAL FINANCIAL STATEMENTS  
FOR THE PERIOD  
1 JANUARY 2009 TO 30 JUNE 2009  
(amounts in thousand euros)**

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**1. Financial Position as at 30.06.2009**

	Note	30/06/2009	31/12/2008	01/01/2008
<b>ASSETS</b>				
<b>Non current assets</b>				
Intangible assets		631,87	598,10	301,31
Tangible assets	5.8	110.820,56	72.217,44	27.413,82
Advances for assets acquisition	5.9	29.672,37	76.661,04	77.820,93
Deferred tax assets		13.675,31	3.039,42	12.885,47
Other long term assets		12.751,12	17.292,04	5.922,27
Receivables from derivatives instruments	5.10	3.671,94	0,00	0,00
<b>Total non current assets</b>		<b>171.223,17</b>	<b>169.808,03</b>	<b>124.343,79</b>
<b>Current assets</b>				
Inventories		10.035,75	11.164,07	7.168,92
Customers and other trade receivables		76.281,57	70.214,60	60.113,50
Advances		8.885,11	4.658,14	2.945,28
Cash and cash equivalents		225.840,34	182.805,35	158.309,59
<b>Total current assets</b>		<b>321.042,78</b>	<b>268.842,16</b>	<b>228.537,28</b>
<b>TOTAL ASSETS</b>		<b>492.265,95</b>	<b>438.650,19</b>	<b>352.881,07</b>
<b>EQUITY</b>				
Share capital		46.421,11	46.421,11	107.125,65
Share premium account		144.774,41	144.774,41	144.774,41
Other reserves		(3.844,76)	(7.038,67)	(22.856,72)
Retained profit / (loss)		22.768,35	28.618,30	(61.551,65)
<b>Total equity</b>		<b>210.119,11</b>	<b>212.775,15</b>	<b>167.491,69</b>
<b>LIABILITIES</b>				
<b>Long term liabilities</b>				
Long term loan liabilities		0,00	0,00	30.814,89
Derivative contracts liabilities	5.10	6.935,22	4.890,29	13.592,44
Finance lease contracts liabilities	5.15	61.661,74	42.406,08	0,00
Provisions for retirement benefits obligations		5.344,04	4.897,85	4.054,52
Provisions	5.22	5.280,69	2.627,77	6.447,14
<b>Total long term liabilities</b>		<b>79.221,70</b>	<b>54.821,99</b>	<b>54.908,99</b>
<b>Short term liabilities</b>				
Suppliers		52.393,84	47.369,01	39.353,73
Short term loan liabilities	5.22	20.096,87	39.480,09	26.727,25
Long term finance leases liabilities payable next year		5.400,39	4.087,20	0,00
Other short term liabilities	5.15	27.053,23	19.538,18	9.684,18
Liabilities from tickets sold but not flown	5.22	56.094,36	28.183,87	19.640,55
Accrued expenses		20.124,30	20.722,33	11.716,34
Derivatives instruments liabilities		4.499,17	5.111,51	17.661,80
Income tax liabilities	5.10	16.162,99	5.560,87	5.051,54
Provisions	5.22	1.100,00	1.000,00	645,00
<b>Total short term liabilities</b>	5.22	<b>202.925,14</b>	<b>171.053,05</b>	<b>130.480,40</b>
<b>Total liabilities</b>		<b>282.146,84</b>	<b>225.875,04</b>	<b>185.389,38</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>492.265,95</b>	<b>438.650,19</b>	<b>352.881,07</b>

## 2. Statement of Comprehensive Income

### Income statement

	Note	01/01- 30/06/2009	01/01- 30/06/2008	01/04- 30/06/2009	01/04- 30/06/2008
<b>Revenue</b>	5.11	<b>275.449,37</b>	<b>262.693,01</b>	<b>164.115,33</b>	<b>163.886,64</b>
Other operating income		6.100,29	4.179,73	307,13	819,72
Personnel expenses		(43.020,78)	(35.586,95)	(22.881,05)	(18.433,78)
Depreciation		(5.797,82)	(2.727,92)	(3.122,44)	(1.602,97)
Consumption of materials and services		(225.266,59)	(222.549,17)	(130.935,71)	(132.647,29)
<b>Profit / (loss) before tax, financing and investing results</b>		<b>7.464,48</b>	<b>6.008,70</b>	<b>7.483,26</b>	<b>12.022,31</b>
Financial income		12.884,65	11.374,04	6.115,69	6.503,45
Financial expense		(10.445,58)	(11.027,38)	(3.099,70)	(5.057,34)
Profit from sale of shares	5.13	4.409,35	0,00	0,00	0,00
Proceeds from sale and lease back	5.12	3.855,41	1.372,34	1.257,28	0,00
<b>Profit / (loss) before tax</b>		<b>18.168,30</b>	<b>7.727,70</b>	<b>11.756,53</b>	<b>13.468,42</b>
Income tax		(4.742,08)	(2.197,84)	(2.916,73)	(3.496,12)
<b>Profit / (loss) after tax</b>		<b>13.426,23</b>	<b>5.529,86</b>	<b>8.839,80</b>	<b>9.972,30</b>
<b>Profit / (loss) per share</b>					
Basic earnings per share in €		0,1880	0,0774	0,1238	0,1396

### Statement of total income

		01/01- 30/06/2009	01/01- 30/06/2008	01/04- 30/06/2009	01/04- 30/06/2008
<b>Profit / (loss) after tax</b>		<b>13.426,23</b>	<b>5.529,86</b>	<b>8.839,80</b>	<b>9.972,30</b>
<i>Cash flow hedging :</i>					
Profit / (loss) for the period		6.684,60	(5.136,33)	2.169,69	22.175,87
Reclassification of (Profit) / loss in the result for the period		(4.445,26)	(8.961,84)	509,83	(12.689,69)
Cash flow hedging income tax		(468,22)	3.524,54	(624,59)	(2.371,54)
<b>Other comprehensive income for the period after taxes</b>		<b>1.771,12</b>	<b>(10.573,63)</b>	<b>2.054,93</b>	<b>7.114,64</b>
<b>Total comprehensive income</b>		<b>15.197,35</b>	<b>(5.043,77)</b>	<b>10.894,73</b>	<b>17.086,94</b>

**3. Statement of changes in Equity for the period ended at 30.06.2009**

	Issued capital	Share premium	Cash flow hedging reserves	Reserves (other)	Accumulated profit / (loss)	Total equity
<b>Balance as at 1 January 2008</b>	<b>107.125,65</b>	<b>144.774,41</b>	<b>(23.271,85)</b>	<b>415,13</b>	<b>(61.551,65)</b>	<b>167.491,69</b>
<b>Equity adjustments for the period 01/01-30/06/08</b>						
Share capital decrease	(60.704,54)					(60.704,54)
Losses net off					60.704,54	60.704,54
Total comprehensive income after taxes			(10.573,63)		5.529,86	(5.043,77)
<b>Balance as at 30 June 2008</b>	<b>46.421,11</b>	<b>144.774,41</b>	<b>(33.845,48)</b>	<b>415,13</b>	<b>4.682,74</b>	<b>162.447,92</b>
<b>Balance as at 1 January 2009</b>	<b>46.421,11</b>	<b>144.774,41</b>	<b>(7.453,80)</b>	<b>415,13</b>	<b>28.618,31</b>	<b>212.775,15</b>
<b>Equity adjustments for the period 01/01-30/06/09</b>						
Dividends paid					(17.853,39)	<b>(17.853,39)</b>
Regular reserves				1.422,79	(1.422,79)	<b>0,00</b>
Total comprehensive income after taxes			1.771,12		13.426,23	<b>15.197,35</b>
<b>Balance as at 30 June 2009</b>	<b>46.421,11</b>	<b>144.774,41</b>	<b>(5.682,68)</b>	<b>1.837,92</b>	<b>22.768,35</b>	<b>210.119,11</b>

**4. Cash Flow Statement for the period ended at 30.06.2009**

	<b>30/06/2009</b>	<b>30/06/2008</b>
<b><u>Cash flows from operating activities</u></b>		
Profit / (loss) before tax	<b>18.168,30</b>	<b>7.727,70</b>
<b><i>Adjustments for:</i></b>		
Depreciation of tangible assets	5.797,82	2.727,92
Provisions	3.287,87	548,21
Foreign currency exchange (gains) / losses	(2.028,23)	0,00
(Profit) / loss from investing activities	(8.324,16)	(3.611,99)
Finance Cost	1.736,92	1.600,92
<b>Cash flows from operating activities before changes in working capital</b>	<b>18.638,53</b>	<b>8.992,75</b>
<b><u>Changes in working capital</u></b>		
(Increase)/Decrease in inventories	1.528,32	(554,29)
(Increase)/Decrease in trade & other receivables	(18.300,04)	(22.802,44)
Increase/(Decrease) in trade payables	35.160,03	37.056,36
Increase / (Decrease) in derivatives liabilities	6.049,32	3.524,54
Other changes in working capital	6.402,33	(1.044,65)
<b>Total changes in working capital</b>	<b>30.839,95</b>	<b>16.179,52</b>
Interest expenses payable	(1.428,36)	(1.709,50)
Income tax paid	(1.149,31)	(1.794,17)
<b>Net cash flows from operating activities</b>	<b>46.900,80</b>	<b>21.668,60</b>
<b><u>Cash flows from investing activities</u></b>		
Purchases of tangible assets	(7.797,37)	(2.475,73)
Sale of tangible assets	3.711,63	0,00
Advances' reimbursement for the acquisition of tangible assets	39.364,27	5,476,52
Proceeds from sale of shares	1.469,79	0,00
Interest and other financial income received	3.623,92	2.356,62
<b>Net cash flows from investing activities</b>	<b>40.372,25</b>	<b>5.357,41</b>
<b><u>Cash flows from financing activities</u></b>		
Loans increase	0,00	17.977,55
Loans repayment	(19.383,27)	(33.228,44)
Dividends paid	(17.826,81)	0,00
Finance leases capital repayment	(7.027,99)	(10.254,63)
<b>Net cash flows from financing activities</b>	<b>(44.238,06)</b>	<b>(25.505,52)</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>43.034,99</b>	<b>1.520,49</b>
Cash and cash equivalents at the beginning of the year	182.805,35	158.309,59
<b>Cash and cash equivalents at the end of the period</b>	<b>225.840,34</b>	<b>159.830,08</b>

## 5. Notes to the Interim Financial Statements

### 5.1 General information

The Company AEGEAN AIRLINES S.A. is a Societe Anonyme airline Company under the discreet title AEGEAN AIRLINES, which bears the title of AEGEAN AIRLINES S.A. in its international transactions. The Company's duration has been defined until 31/12/2044 and can be elongated following the decision of the general meeting of the shareholders. The Company's registered address is in the Municipality of Kifissia, Attiki (31 Viltanioti St. PC 145 64).

### 5.2 Nature of business operations

The Company operates in the sector of aviation transportation, providing services that concern the transportation of passengers and commodities in the sector of public aviation transportation inside and outside Greece, conducting scheduled and unscheduled flights. At the same time, the Company renders services of aviation applications, technical support and on ground handling aircraft services. Indicatively, the Company's objectives include also the following activities/operations:

- a. Participation in any type of local or foreign Company of the similar nature of operations
- b. Foundation of subsidiaries and agencies
- c. Import, trade, leasing of aircraft and spare parts.

### 5.3 Basis of preparation of the Interim Financial Statements

The Company's interim financial statements are reporting on the period from 1 January 2009 to 30 June 2009. The financial statements have been prepared under the historical cost principle as it is modified by the revaluation of certain categories of assets and liabilities in current values, the going concern principle and are in accordance with the International Financial Reporting Standards (IFRS) and in particular with the IAS 34 for interim financial reporting. The functional currency is the Euro and the amounts are expressed in thousand euros.

The interim financial statements for the first half of 2009 have been prepared on the same basis of the accounting principles used for the preparation and presentation of the Company's financial statements for the period ended at 31 December 2008.

The attached interim financial statements should be read along with the annual financial statements for the period ended at 31 December 2008 which include a thorough analysis of the accounting principles' and methods' used, as well as a detailed analysis of the consisting material balances.

The preparation of the financial statements according to the International Financial Reporting Standards (IFRS) requires the usage of accounting estimations and management's judgment for the implementation of the Company's accounting principles. Material management's judgments are noted when necessary. The estimations and other judgments of the management are evaluated continuously and are based on empirical data and/or other factors such as expectations on future outcomes that are considered probable under certain conditions.

### 5.4 Revised accounting standards

In the current period the Company applied the following new/amended accounting standards and interpretations:

Revised IAS 1, which apart from the different titles used for the financial statements and the introduction of a different structure for the income statement it did not have any other effect.

The introduction of the revised IFRS 8 "Operating Segments" did not result to material differences compared to the previous applicable IAS 14 "Segment Reporting".

IFRIC 13, "Customer Loyalty Programmes" which did not cause any differences since the Company's policy was already in accordance with the provisions of the IFRIC 13.

Revised IAS 23 was not applicable to the Company due to the non existence of assets that meet the conditions for interest expense capitalization.

IFRS 7 "Financial Instruments – Disclosures", issued in March 2009 effective for the 2009 financial period, will be implemented in the annual financial statements for the financial period of 2009 and it is not expected to have a material impact.

### 5.5 New accounting standards and interpretations

The below mentioned accounting standards, amendments and revisions are effective for annual periods starting from or after 01.01.2009 and they will be applied from 2010 onwards as and if required. The Company's expectations regarding the effect these new accounting standards and interpretations will have are as follows:

- **Amended IAS 27 "Consolidated and Separate Financial Statements"**, effective for annual accounting periods commencing on 01.07.2009 or later. According to the amended standard, transactions with non controlling shareholders are recognized in equity as long as they do not result in loss of control of the subsidiary. In case of loss of control, any remaining part of the investment is accounted at fair value and any profit or loss realized is recognized in the results. The Company will apply the amended standard on 01.01.2010.

- **Revised IFRS 3 "Business Combinations"**, effective for annual accounting periods commencing on 01.07.2009 or later, it has significant changes compared to the previous IFRS 3, relating to the accounting treatment of non controlling interests offering the option to be measured at fair value, recognize as expenses all directly related acquisition costs and recognize in the income statement possible changes in the value of the consideration given from subsequent measurement. The Company will apply the amended standard on 01.01.2010.

- **Amended IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations"**, effective for annual accounting periods commencing on 01.07.2009 or later. The amendments clarify that the total assets and liabilities of a subsidiary where control is lost are classified as held for sale. The Company will apply the amendment immediately if there is a case that requires it.

- **IFRIC 17 "Distributions of Non-cash Assets to Owners"**, effective for annual accounting periods commencing on 01.07.2009 or later. The interpretation states that the liability for the distribution of non cash assets to owners must be measured at their fair value on the date when the distribution was approved. Any possible difference created between the fair value at the balance sheet date and the fair value on the distribution approval date is recognized in the income statement. This interpretation is not expected to have any application to the Company.

- **IFRIC 18 "Transfers of Assets from Customers"**, effective for annual accounting periods commencing on 01.07.2009 or later. The interpretation relates to agreements where tangible assets are given by a customer to the entity. The entity must connect the customer to the network and the customer will acquire continuous access to the supply of products or services or both. This interpretation does not apply to the Company.

- **"Amendments in Accounting Standards and Interpretations"**; they were issued in April 2009, within the framework for continuous improvement of IFRSs. These various amendments have different effective dates amongst them, mainly for periods commencing on or after 01.01.2010 and they are not expected to have a material effect to the financial statements.

**Amended IFRS 2 "Share-based Payments"**, issued in June 2009 with effect for annual accounting periods starting on 01.01.2010 or after and **amended IFRS 1 "First-time Adoption of International Financial Reporting Standards"**, issued in July 2009 applicable to annual accounting periods starting on 01.01.2010 or after. These amendments are not going to have an effect to the Company.

### 5.6 Seasonality

The Company's operating result fluctuates significantly each quarter during the financial year, a trend that is expected to continue in the future as a result of the demand's seasonality, in combination with the relatively

high fixed costs of the Company. Historically the Company's significant part of income from passengers is realized between April and September and in a lesser degree, during the holiday periods of Easter and Christmas/New Year's. Demand and average fares are in general higher during these periods. Consequently the Company has higher revenues in the second and third quarter of the financial year. On the contrary revenues are lower during the first and fourth quarter, since the demand is lower during winter season. The Company suffers most of its costs evenly during the year and therefore it is generally expected that the operating results are lower during the first and fourth quarter.

## 5.7 Operating Segments

The Company's reports are broken down into 2 segments:

- Scheduled flights
- Charter flights

The accounting standards applied for every reported segment are the same as those described as important accounting policies in the annual financial statements of the Company.

The performance of each segment is evaluated on the basis of the result produced, profit or loss from operating activities before taxes, excluding results from financial transactions and extraordinary items.

Operational segments are managed and monitored individually from the Board of Directors (Chief Operating Decision Maker), since the services they offer are of different nature and also subject to different customer demand and profit margin.

Results per segment are analyzed as follows:

<b>01/01/2009-30/06/2009</b>	<b>Scheduled flights</b>	<b>Charter flights</b>	<b>Other income</b>	<b>Total</b>
<b>Total revenue</b>	<b>238.010,29</b>	<b>22.567,65</b>	<b>14.871,43</b>	<b>275.449,37</b>
<b>Operating result</b>	<b>2.232,97</b>	<b>1.495,81</b>	<b>3.735,70</b>	<b>7.464,48</b>
Financial results				2.439,07
Other income/(expense)				8.264,76
<b>Profit before taxes</b>				<b>18.168,30</b>
Income tax				(4.742,08)
<b>Net result for the period</b>				<b>13.426,23</b>
<b>01/01/2008-30/06/2008</b>	<b>Scheduled flights</b>	<b>Charter flights</b>	<b>Other income</b>	<b>Total</b>
<b>Total revenue</b>	<b>227.385,15</b>	<b>25.084,10</b>	<b>10.223,75</b>	<b>262.693,01</b>
<b>Operating result</b>	<b>809,88</b>	<b>1.920,86</b>	<b>2.862,65</b>	<b>5.593,39</b>
Financial results				346,67
Other income/(expense)				1.787,64
<b>Profit before taxes</b>				<b>7.727,70</b>
Income tax				(2.197,84)
<b>Net result for the period</b>				<b>5.529,86</b>

Other income consists of cargo revenue, products sold during flights as well as revenue relating to income generated from ticket sales services.

Assets and liabilities breakdown per segment is analyzed as follows:



<b>01/01/2009-30/06/2009</b>	<b>Scheduled flights</b>	<b>Charter flights</b>	<b>Total</b>
Segment's assets	217.544,99	1.861,00	219.405,99
Non assigned to segments assets			272.859,96
<b>Total Assets</b>			<b>492.265,95</b>
Segment's liabilities	209.175,63	4.883,07	214.058,70
Non assigned to segments liabilities			278.207,24
<b>Total Liabilities</b>			<b>492.265,95</b>
<b>01/01/2008-30/06/2008</b>	<b>Scheduled flights</b>	<b>Charter flights</b>	<b>Total</b>
Segment's assets	175.625,92	3.115,89	178.741,81
Non assigned to segments assets			250.381,15
<b>Total Assets</b>			<b>429.122,96</b>
Segment's liabilities	154.065,68	1.424,16	155.489,84
Non assigned to segments liabilities			273.633,12
<b>Total Liabilities</b>			<b>429.122,96</b>

The significant balance movements observed when compared to 31.12.2008 balances, are due to tangible assets' acquisition analyzed at paragraph 5.8 below, which were distributed to the scheduled flights segment.

## **5.8 Tangible assets**

### **(a) Aircraft**

During the first half of 2009 the Company continued its fleet renewal program by accepting delivery of 8 new Airbus aircraft type A320 (6 A320 and 2 A321). At the same time it redelivered 4 Boeing 737 to their owners. As a result, the Company's fleet consists of 31 aircraft as follows:

- 17 Airbus A320
- 4 Airbus A321
- 6 Avro RJ 100
- 4 Boeing 737

One out of the eight Airbus aircraft that the Company accepted delivery during the first half of 2009 it was acquired through finance leasing and it was valued at € 29.070,61 thousand and it is included in the "Tangible assets" account balance. In the aircraft's value they have been included all the pre-delivery advance payments given to the manufacturer up to the delivery date.

### **(b) Building construction on third party's property**

The Company has completed the construction of its hangar in the premises of Athens International Airport (AIA). The total cost of the project until 30.06.09 was € 7.624,39 thousand.

## **5.9 Advances for assets' acquisition**

The advances for acquisition of assets mainly relate to advances given to foreign entities for the purchase by the Company of aircraft and engines. They are analyzed as follows:

	<b>30/06/2009</b>	<b>31/12/2008</b>
Advances to Airbus	27.876,67	66.364,28
Advances to I.A.E.	1.795,71	3.505,96
Other advances	0,00	6.790,80
<b>Total</b>	<b>29.672,37</b>	<b>76.661,04</b>

Advances for assets' acquisition balance has reduced in relation to 31.12.2008 due to:

- The delivery of 4 Airbus aircraft through sale and lease back.
- The delivery of an aircraft engine from IAE.
- The completion of the construction of the hangar in the premises of Athens International Airport (AIA).

## **5.10 Assets / Liabilities from financial derivatives' contracts**

### **(a) Foreign currency forward contracts**

The Company enters into derivative contracts relating to foreign currency forwards. These forward contracts are used for cash flow hedging of the risks arising from the movement in US dollar's exchange spot rates and to avoid the increase in the value of liabilities by securing fixed exchange rates. On 30 June 2009, the Company had entered into forward contracts to hedge its expected needs in US dollars for about 41% on average of these expected needs for the periods 2009-2010.

The financial derivatives contracts' nominal amount as at 30.06.2009 was US\$ 186.000.00 thousand and is analyzed as follows:

<b>Maturity of contracts</b>	<b>Nominal amount in thousand US \$</b>
2009	54.000,00
2010	132.000,00
	<b>186.000,00</b>

### **(b) Jet fuel swaps (commodity swaps)**

On 30 June 2009, the Company had signed forward contracts to buy jet fuel (commodity swaps) of total quantity of 106,20 thousand metric tons which account for 36% approximately of the projected fuel needs for the period 2009-2010. These contracts are used for cash flow hedging for the risk arising from the movement in the jet fuel spot prices.

The open commodity swaps contracts' nominal amount as at 30.06.2009 was US\$ 83.927,70 thousand and it is analyzed below:

<b>Maturity of contracts</b>	<b>Fuel quantity in metric tons</b>	<b>Deemed amount in thousand US \$</b>
2009	47.400	36.453,90
2010	58.800	47.473,80
	<b>106.200</b>	<b>83.927,70</b>

**(c) Interest rate swaps**

On 30 June 2009, the Company had entered into interest rate swap contracts (IRSs) as hedging instruments for cash flow hedging resulting from liabilities at a variable interest rate, for 65,3% of the total finance leases capital.

The nominal amount of the open interest rate swaps on 30 June 2009 was US \$ 61.827,57 thousand.

Start date	Maturity date	Nominal amount in thousand \$
5/12/2008	22/4/2020	30.926,63
5/12/2008	22/4/2020	30.900,94
		<b>61.827,57</b>

The fair values of the derivatives' contracts and jet swaps are based on marked to market valuations which are confirmed by the financial institutions with which are the signing counterparties in the contracts.

Movements in the fair value of the hedging instruments are either recognized in equity under "Other reserves" through the Statement of Total Revenue or recognized in the result when it is required because they have an effect on it.

**5.11 Revenue**

Revenue refers to the issue of tickets, sale of goods and other services.

The revenue is analyzed per type as follows:

	30/06/2009	30/06/2008
Scheduled flights revenue	210.629,27	205.526,64
Charter flights revenue	21.183,45	23.582,79
Revenue from passengers airports charges	28.765,22	23.359,82
Other operating revenue	14.871,43	10.223,75
<b>Total</b>	<b>275.449,37</b>	<b>262.693,01</b>

**5.12 Sale and lease back**

The Company sold and leased back 4 out of the 8 new Airbus aircraft that were delivered to it in the first half of 2009.

The proceeds from the transaction were € 3.855,41 thousand. There was also a foreign exchange difference loss of € 297,98 thousand; therefore the final result from the sale and lease back of the 4 aircraft was € 3.557,43 thousand (profit).

**5.13 Profit from sale of shares**

In January 2009 the Company acquired 25% of the share capital of the companies: Newrest Inflight Services Hellas S.A., Macedonia Catering S.A. and Abela Hellas Catering Services S.A.

In March 2009 the Company sold the total of the above shareholdings to NEWREST GROUP HOLDING SL. The result of this transaction was a total profit of € 4.409,35 thousand. During the ownership period of the above shares there was no significant control over the companies' management and therefore they were not accounted as associates.

**5.14 Financial income/expenses**

The financial income/expenses are analyzed as follows:

	<b>30/6/2009</b>	<b>30/6/2008</b>
Interest and expenses from long term liabilities	914,32	1.266,92
Interest and expenses from other short term bank financing	0,00	14,21
Letters of Guarantee commissions	103,45	48,29
Finance leases interest	552,43	130,66
Foreign exchange losses	8.708,66	9.426,46
Borrowing costs	166,72	140,84
<b>Total</b>	<b>10.445,58</b>	<b>11.027,38</b>
Other interest income	(3.915,47)	(3.612,33)
Foreign exchange gains	(8.969,18)	(7.761,70)
<b>Total</b>	<b>(12.884,65)</b>	<b>(11.374,04)</b>

**5.15 Existing encumbrances**

There are no encumbrances on the Company's tangible assets (buildings, owned aircraft etc.).

**5.16 Commitments**
**(a) Operating leases**

The Company's obligations arise mainly from aircraft it uses in order to conduct its flight operations. The minimum future lease payments for aircraft are analyzed below:

	<b>30/06/2009</b>	<b>30/06/2009</b>	<b>30/06/2008</b>	<b>30/06/2008</b>
	<b>in thousand USD</b>	<b>in thousand €</b>	<b>in thousand USD</b>	<b>in thousand €</b>
Up to 1 year	86.851,35	61.448,53	63.449,53	40.249,64
Between 1 and 5 years	270.420,04	191.325,91	169.570,86	107.568,42
More than 5 years	21.494,02	15.207,32	17.963,01	11.394,96
<b>Total</b>	<b>378.765,41</b>	<b>267.981,76</b>	<b>250.983,39</b>	<b>159.213,01</b>

For the translation of the minimum future lease payments in euros the US dollar against the euro exchange rate of the European Central Bank (1,4134) as at 30 June 2009/2008.

**(b) Capital commitments**

The Company commitments that refer to the order of Airbus type aircraft acquisition are analyzed per delivery year as follows:

- 2010 1 aircraft type A320
- 2013 2 aircraft type A320
- 2014 3 aircraft type A320

**(c) Finance leases**

The Company's commitment relating to finance leases are analyzed below:

<b>Future payments</b>	<b>30/06/2009</b>	<b>31/12/2008</b>
Up to 1 year	5.397,55	4.087,20
Between 1 and 5 years	22.330,12	14.594,57
More than 5 years	39.334,46	27.811,50
<b>Total</b>	<b>67.062,13</b>	<b>46.493,27</b>

### 5.17 Contingent tax liabilities

The Company's tax liabilities have been finalized up to the year 2006. The Company has provisioned an amount of € 1.000 thousand for tax unaudited periods.

### 5.18 Contingent assets and liabilities

#### (a) Legal or in arbitration disputes

There are legal or in arbitration disputes and other contingent events that they have not changed from 31.12.2008 and it is not expected to have a material effect in the financial position or the operation of the Company. Therefore no provision for such liabilities has been created.

#### (b) Contingent assets

There are contingent assets that they have not changed from 31.12.2008 and it is not expected to have a material effect in the financial position or the operation of the Company.

### 5.19 Loans

In the current period no new loans were undertaken and there was a repayment of short term loans of a total amount of € 19.383,27 thousand.

### 5.20 Related parties transactions

<b>Receivables (End of period balance from sale of goods-services) from:</b>	<b>30/06/2009</b>	<b>31/12/2008</b>
Shareholders	18,28	31,46
Other related parties	27,55	25,65
<b>Total</b>	<b>45,83</b>	<b>57,12</b>
<b>Payables (End of period balance from purchase of goods-services) to:</b>	<b>30/06/2009</b>	<b>31/12/2008</b>
Shareholders	111,64	78,65
Other related parties	33,66	13,30
<b>Total</b>	<b>145,30</b>	<b>91,95</b>
<b>Income – Services from the Company to:</b>	<b>30/06/2009</b>	<b>30/06/2008</b>
Shareholders	112,92	222,83
Other related parties	21,58	92,98
<b>Total</b>	<b>134,50</b>	<b>315,81</b>
<b>Expenses – Services of the Company received from</b>	<b>30/06/2009</b>	<b>30/06/2008</b>

Shareholders	591,81	643,53
Other related parties	111,30	106,49
<b>Total</b>	<b>703,10</b>	<b>750,02</b>

All transactions are made with companies owned by the majority shareholder and they mainly relate to payments for rents and services received.

All transactions' terms were on an arm's length basis

### 5.21 Transactions with directors and Board of Directors members

The Company's transactions with directors and BoD members are as follows:

	30/06/2009	30/06/2008
- Compensation of BoD members	1.178,08	960,57
- Directors' salaries	931,55	702,22
- Social insurance costs of directors	40,77	40,57
- Services / other benefits offered to directors	117,13	61,05
<b>Total</b>	<b>2.267,52</b>	<b>1.764,41</b>
- Liabilities to directors and BoD members	768,64	252,85
- Receivables from directors and BoD members	7,55	0,00

Except for the above the Company has no other transactions, receivables or liabilities with the directors or the Board of Directors' members.

### 5.22 Dividends policy

During the Annual General Shareholders' Meeting on Friday, 15 May 2009, a cash dividend payment of € 0,25 per share was approved; total dividends paid amount to € 17.854.280. The ex-dividend date was 20.05.2009, when the Company's shares were traded in Athens Stock Exchange without the right to the dividend. Entitled to receive the dividend are the stockholders as at 22.05.2009 (record date). Dividends' payment start date was on 28.05.2009 through Alpha Bank.

### 5.23 Reclassification of accounts

For presentation purposes of the Financial Statements there was reclassification of certain accounts, in particular:

- From the account "Income tax liabilities" two amounts of € 9.782,65 thousand and € 5.322,22 thousand that refer to the periods ended at 31.12.2008 and 31.12.2007 (01.01.2008) respectively, were transferred to the account "Other short term liabilities". These amounts refer to taxes payable other than income tax.
- From the account "Suppliers" two amounts of € 5.280,69 thousand and € 6.447,14 thousand that refer to the periods ended at 31.12.2008 and 31.12.2007 (01.01.2008) respectively, were transferred to the account "Provisions" within Long Term Liabilities. These amounts refer to maintenance reserves for the aircraft acquired through operating leasing.
- From the account "Other short term liabilities" two amounts of € 1.000,00 thousand and € 645,00 thousand that refer to the periods ended at 31.12.2008 and 31.12.2007 (01.01.2008) respectively, were transferred to the account "Provisions" within Short Term Liabilities. These amounts refer to tax provisions for the tax unaudited periods.

Additionally an amount of € 400,00 thousand relating to provisions for devaluation of inventories was transferred from "Other short term liabilities" into "Other reserves" of the balance sheet as of 31.12.2008.

#### **5.24 Post balance sheet events**

In July 2009 the Company announced its intention to participate and submit an offer in the tender under protocol number Δ1/B/21564/1749/10.6.2009 Invitation for the submission of offers, published by the Hellenic Republic in accordance with articles 16, 17 and 18 of EC Regulation No 1008/2008 for the operation of scheduled air services in 24 routes in accordance with public service obligations.

Between 30.06.09 and up to the date of approval of the Interim Financial Statements by the Board of Directors there were no post balance sheet events that would affect the Company and disclosures would have been required according the International Financial Reporting Standards (I.F.R.S.).

The Interim Financial Statements for the first half of 2009 have been approved by the Board of Directors of "Aegean Airlines S.A." on 28.08.2009 and are posted on the Company's website ([www.aegeanair.com](http://www.aegeanair.com)) for investors' reference, where they will remain for at least 5 years after their compilation and public announcement date.

Kifissia, 28 August 2009

Chairman	Chief Executive Officer	Chief Financial Officer	Chief Accountant
Theodore Vasilakis I.D. no. Ξ458197	Dimitrios Gerogiannis I.D. no. AB642495	Michael Kouveliotis I.D. no. P490629	Maria Zannaki I.D. no. Σ723984

**E) Figures and Information for the period 01.01.2009 – 30.06.2009**


**COMPANY INFORMATION :**  
 Address of head offices : Viltanioti 31, 145 64 Kifisia  
 Societe Anonyme Reg. No. : 32603/06/B/95/3  
 Board of Directors Financial Statements Approval Date : 28 August 2009

Certified Auditor Accountant : Vroustouris Panagiotis  
 S.O.E.L. Reg. no.: 12921  
 Accounting Firm : Vroustouris Panagiotis  
 Type of Auditors' Audit Report : Unqualified  
 Company Website : www.aegeanair.com

**AEGEAN AIRLINES S. A.**
**SUMMARY FINANCIAL DATA AND INFORMATION FOR THE PERIOD FROM 1 JANUARY 2009 TO 30 JUNE 2009**  
*(In accordance with the Decision 4/507/28.04.2009 of the BoD of the Hellenic Capital Market Committee)*

The following data and information aim at providing a general overview of the financial status and results of AEGEAN AIRLINES S.A. Consequently, it is recommended to the reader, before any investment decision and transaction with the Company, to refer to the Company's Website (www.aegeanair.com) where the financial statements along with the Auditor's Report, are posted. (Amounts in thousand €)

FINANCIAL POSITION		STATEMENT OF COMPREHENSIVE INCOME					
	30/6/2009	31/12/2008	1/1-30/6/2009	1/1-30/6/2008	1/4-30/6/2009	1/4-30/6/2008	
<b>ASSETS</b>							
Tangible assets	110.820,56	72.217,44	Revenue	275.449,37	262.693,01	164.115,33	163.886,64
Intangible assets	631,87	598,10	Operating profit / (loss)	19.080,63	18.294,47 #	17.155,07	20.600,02
Other non current assets	59.770,74	96.992,49	Profit / (loss) before tax, financing and investing results	7.464,48	6.008,70	7.483,26	12.022,31
Inventories	10.035,75	11.164,07	<b>Profit / (loss) before tax</b>	<b>18.168,30</b>	<b>7.727,70</b>	<b>11.756,53</b>	<b>13.468,42</b>
Customers and other trade receivables	76.281,57	70.214,59	Income tax	(4.742,08)	(2.197,84)	(2.916,73)	(3.496,12)
Other current assets	234.725,45	187.463,50	<b>Profit / (loss) after tax (a)</b>	<b>13.426,23</b>	<b>5.529,86</b>	<b>8.839,80</b>	<b>9.972,30</b>
<b>TOTAL ASSETS</b>	<b>492.265,95</b>	<b>438.650,19</b>	<b>Other Total Comprehensive Income / (expense) (b)</b>	<b>1.771,12</b>	<b>(10.573,63)</b>	<b>2.054,93</b>	<b>7.114,64</b>
<b>EQUITY AND LIABILITIES</b>			<b>Total Comprehensive Income (c) = (a)+(b)</b>	<b>15.197,35</b>	<b>(5.043,77)</b>	<b>10.894,73</b>	<b>17.086,95</b>
Share capital	46.421,11	46.421,11	Basic (after taxes) earnings per share in €	0,1880	0,0774	0,1238	0,1396
Additional paid-in capital and reserves	163.698,00	166.354,04	Profit / (loss) before tax, financing, investing results and depreciation	13.262,30	8.736,61	10.605,69	13.625,28
<b>Total shareholders' equity (a)</b>	<b>210.119,11</b>	<b>212.775,15</b>					
Provisions and other long term liabilities	79.221,70	54.821,99	<b>STATEMENT OF CHANGES IN EQUITY</b>				
Short term bank loans	20.096,87	39.480,13		30/6/2009	30/6/2008		
Other short term liabilities	182.828,27	131.572,92	Equity balance at the year's beginning (1.1.2009 & 1.1.2008 respectively)	212.775,15	167.491,69		
<b>Total liabilities (b)</b>	<b>282.146,84</b>	<b>225.875,04</b>	Distributed dividends	(17.853,39)	0,00		
<b>EQUITY AND LIABILITIES (c) = (a) + (b)</b>	<b>492.265,95</b>	<b>438.650,19</b>	Total comprehensive income after tax	15.197,35	(5.043,77)		
			<b>Balance as of end of period (30.06.2009 &amp; 30.06.2008 respectively)</b>	<b>210.119,11</b>	<b>162.447,92</b>		
<b>CASHFLOW STATEMENT</b>		<b>30/6/2009</b>		<b>30/6/2008</b>		<b>ADDITIONAL DATA &amp; INFORMATION</b>	
<b>Operating activities</b>							
Profit / (loss) before taxes	18.168,30	7.727,70	1. The Company has been audited by the tax authorities up to the fiscal year 2006. For the non tax audited periods there is a cumulative provision of € 1.100 thousand.				
Plus / less adjustments for:			2. Apart from the above provision, the Company has made an additional provision of € 5.280,69 thousand related to future obligations for the maintenance of its aircrafts.				
Depreciation	5.797,82	2.727,92	3. There are no pending judicial cases or court decisions, which may have a material impact on the financial operations of the Company. The Company has not formed any provisions as such.				
Provisions	3.287,87	548,21	4. The total number of employees as at 30/06/2009 was 2.287 and as at 30/06/2008 was 2.173.				
Foreign exchange differences	(2.028,23)	0,00	5. The company does not hold own shares at the end of the current period.				
(Profit) / loss from investing activities	(8.324,16)	(3.611,99)	6. In January 2009 the Company acquired 25% of the share capital of the companies: Newrest Inflight Services Hellas S.A., Macedonia Catering S.A. and Abela Hellas Catering Services S.A. In March 2009 the Company sold the total of the above shareholdings to NEWREST GROUP HOLDING SL. The result of this transaction was a total profit of € 4.409,35 thousand. During the ownership period of the above shares there was no significant control over the companies' management and therefore they were not accounted as associates.				
Finance Cost	1.736,92	1.600,92	7. For presentation purposes of the Interim Financial Statements, a reclassification of balances was made in the Financial Position Statement (see Note 5.23 of the Interim Financial Statements).				
<b>Cash flows from operating activities before changes in working capital</b>			8. According to I.A.S. 24, related party transactions for the first half of 2009 and receivables/ payables balances as at 30.06.2009 are analyzed below:				
(Increase) / Decrease in inventories	1.528,32	(554,29)					
(Increase) / Decrease in trade & other receivables	(18.300,04)	(22.802,44)					
Increase / (Decrease) in payables (other than banks)	35.160,03	37.056,36					
Increase / (Decrease) in derivatives liabilities	6.049,32	3.524,54					
Other changes in working capital	6.402,33	(1.044,65)					
Interest expenses paid	(1.428,36)	(1.709,50)					
<b>Net cash flows from operating activities (a)</b>	<b>46.900,80</b>	<b>14.470,01</b>					
<b>Investing Activities</b>							
Purchases of assets	(7.797,37)	(2.475,73)					
Proceeds from sale of tangible & intangible assets	3.711,63	0,00					
Downpayments for purchases of tangible assets	39.364,27	5.476,52					
Proceeds from sale of investments (shares)	1.469,79	0,00					
Interest and other financial income received	3.623,92	2.356,62					
<b>Net cash flows from investing activities (b)</b>	<b>40.372,25</b>	<b>5.357,41</b>					
<b>Financing Activities</b>							
Loans drawn / issued	0,00	17.977,55					
Loans' repayments	(19.383,27)	(33.228,44)					
Dividend's repayment	(17.826,81)	0,00					
Changes in finance lease capital	(7.027,99)	(10.254,63)					
<b>Net cash flows from financing activities (c)</b>	<b>(44.238,06)</b>	<b>(25.505,52)</b>					
<b>Net increase / (decrease) in cash and cash equivalents (a)+(b)+(c)</b>	<b>43.034,99</b>	<b>1.520,50</b>					
<b>Cash and cash equivalents at the beginning of the period</b>	<b>182.805,35</b>	<b>158.309,59</b>					
<b>Cash and cash equivalents at the end of the period</b>	<b>225.840,34</b>	<b>159.830,09</b>					



**F. Report on the Use of IPO Proceeds****AEGEAN AIRLINES S.A.**

Societe Anonyme Reg. No.: 32603/06/B/95/3  
31 Viltanioti Str. 145 64 Kifissia

It is hereby notified, in accordance with decision No. 33/24-11-2005 of the Directors' Board of Athens Stock Exchange, as this was amended by the decision No. 25/17-07-2008 of the Directors' Board of Athens Stock Exchange that the Company's share capital increase through payment in cash, with the waiver of the old shareholders preemptive rights and the issue of new shares through an IPO, which took place on the basis of the decision of the Company's Extraordinary General Shareholders' Meeting on 08.03.2007 and approved by the Athens Stock Exchange Board of Directors (decision no. 2/430/06.06.2007), raised net capital of €126.691.798,01 (€ 135.237.415,68 minus IPO expenses € 8.545.617,67). The subscription period was 27.06.2007 until 29.06.2007.

From this share capital increase 17.854.280 new common registered shares have been issued which were listed for trading on the Athens Exchange in the big capitalization category on 11.07.2007. The Company's share capital increase was confirmed by the Board of Directors on 06.07.2007.

The proceeds, in relation to what was published in the Information Bulletin and the subsequent amendment of the use of proceeds timeline schedule, were used up to 30.06.2009 as follows:

**AMENDED TABLE OF APPROPRIATION OF IPO PROCEEDS**

Appropriation of raised funds	IPO Proceeds	Non appropriated funds as at 31/12/2007	Appropriation of raised funds						Outflows					Non appropriated funds as at 30/06/2009
			Jan - Jun 2008	Jul - Dec 2008	Jan - Jun 2009	Jul - Dec 2009	Jan - Jun 2010	Total	Jul - Dec 2007	Jan - Jun 2008	Jul - Dec 2008	Jan - Jun 2009	Total Outflows until 30/06/2009	
<i>(Amounts in million euros)</i>														
Aircraft	71,0	<b>61,2</b>	14,3	15,4	8,2	5,5	17,8	<b>61,2</b>	9,8	14,3	15,4	-11,4	<b>28,1</b>	<b>42,9</b>
New routes' development	20,0	<b>15,0</b>	5,0	5,0	5,0	0,0	0,0	<b>15,0</b>	5,0	5,0	5,0	5,0	<b>20,0</b>	<b>0,0</b>
Construction of a hangar at AIA	8,0	<b>8,0</b>	2,1	3,5	2,4	0,0	0,0	<b>8,0</b>	0,0	2,1	2,7	2,1	<b>6,9</b>	<b>1,1</b>
General business needs and working capital	27,6	<b>20,1</b>	7,5	7,1	5,5	0,0	0,0	<b>20,1</b>	7,5	7,5	7,1	5,5	<b>27,6</b>	<b>0,0</b>
IPO related expenses	8,6	<b>0,0</b>	0,0	0,0	0,0	0,0	0,0	<b>0,0</b>	8,6	0,0	0,0	0,0	<b>8,6</b>	<b>0,0</b>
<b>Total</b>	<b>135,2</b>	<b>104,3</b>	<b>28,9</b>	<b>31,0</b>	<b>21,1</b>	<b>5,5</b>	<b>17,8</b>	<b>104,3</b>	<b>30,9</b>	<b>28,9</b>	<b>30,2</b>	<b>1,2</b>	<b>91,2</b>	<b>44,0</b>

**Notes:**

1. On the basis of its decision dated 12.06.2008, the Shareholders' Ordinary General Meeting approved the decision taken on 19.5.2008 by the Company's Board of Directors that suggested the change of the raised funds use timeline in relation to non-appropriated funds of € 104,3 million as at 31/12/2007. This amendment is disclosed in the above table "AMENDED TABLE OF APPROPRIATION OF IPO PROCEEDS".

2. In relation to the published Information Bulletin, there was an amendment in the proceeds from the IPO and their appropriation, which the Company's Board of Directors' disclosed to the investors and relevant authorities with its announcement on 10.07.2007.

3. The table of appropriation of the raised funds, before its amendment by the approval of the Shareholders' Ordinary General Meeting on 12.06.2008 was as follows:

<b>TABLE OF APPROPRIATION OF IPO PROCEEDS BEFORE THE AMENDMENT</b>							
<b>Appropriation of raised funds</b>	<b>Appropriation of raised funds</b>					<b>Outflows until 31/12/2007</b>	<b>Non appropriated funds as at 31/12/2007</b>
	<b>Jul 2007 - Dec 2007</b>	<b>Jan 2008 - Jun 2008</b>	<b>Jul 2008 - Dec 2008</b>	<b>Jan 2009 - Jun 2009</b>	<b>Total</b>		
<i>(Amounts in million euros)</i>							
Aircraft	9,8	21,2	17,6	22,4	<b>71,0</b>	<b>9,8</b>	<b>61,2</b>
New routes' development	5,0	5,0	5,0	5,0	<b>20,0</b>	<b>5,0</b>	<b>15</b>
Construction of a hangar at AIA	0,0	4,0	4,0	0,0	<b>8,0</b>	<b>0,0</b>	<b>8</b>
General business needs and working capital	7,5	7,5	7,1	5,5	<b>27,6</b>	<b>7,5</b>	<b>20,1</b>
IPO related expenses	8,6	0,0	0,0	0,0	<b>8,6</b>	<b>8,6</b>	<b>0</b>
<b>Total</b>	<b>30,9</b>	<b>37,7</b>	<b>33,7</b>	<b>32,9</b>	<b>135,2</b>	<b>30,9</b>	<b>104,3</b>

4. The Company's Board of Directors on 28.08.2009 decided to amend the timeline use of the remaining IPO proceeds of € 44,0 million in total and announced an Extraordinary General Shareholders' Meeting on 06.10.2009 to vote for the approval of the amendment. The amendment is as follows:

- According to its fleet renewal program the Company has signed contracts to buy and lease in total 27 new Airbus type aircraft. Initial planning had estimated that the immediate financing of the aircraft would have been completed by the end of the first half in 2010. However, taking into consideration the extremely adverse economic conditions which led to significant changes in the financial market conditions, a revised plan was put in place and according to the best practice as it is applied globally the investment for aircraft from the IPO proceeds will be completed by the end of the first half of 2010 including the outflows for operating leases.  
In the first half of 2009 the Company accepted delivery of 8 new aircraft acquired through operating and finance leasing (6 A320 and 2 A321). For these aircraft there was a total spend of funds of € 11,7 million for leasing payments during the first half of 2009.  
Additionally during the same period there was a total spend of funds of € 14,4 million on operating and finance leases for aircraft delivered after July 2007 and until 31.12.2008.
- Additionally during the first half of 2009 although it was intended to spend € 2,4 million for the construction of the hangar at AIA, it was eventually spent € 2,1 million. The cumulative expenditure deviation of € 1,1 million from the commencement of the project will be covered in the second half of 2009, when it is expected to finalize the construction and the total cost relating to it. It is noted that the investment is already completed and the hangar is fully operating.

Taking into consideration the above the appropriation of the IPO funds is as follows:

**TABLE OF APPROPRIATION OF IPO PROCEEDS**

Appropriation of raised funds	Total Outflows until 30/06/2009	Non appropriated funds as at 30/06/2009	Appropriation of raised funds			Total	Total IPO Proceeds Outflows
			Jul - Dec 2009	Jan - Jun 2010			
<i>(Amounts in million euros)</i>							
Aircraft	28,1	<b>42,9</b>	21,0	21,9	<b>42,9</b>	<b>71</b>	
New routes' development	20	<b>0,0</b>	0,0	0,0	<b>0,0</b>	<b>20</b>	
Construction of a hangar at AIA	6,9	<b>1,1</b>	1,1	0,0	<b>1,1</b>	<b>8</b>	
General business needs and working capital	27,6	<b>0,0</b>	0,0	0,0	<b>0,0</b>	<b>27,6</b>	
IPO related expenses	8,6	<b>0,0</b>	0,0	0,0	<b>0,0</b>	<b>8,6</b>	
<b>Total</b>	<b>91,2</b>	<b>44,0</b>	<b>22,1</b>	<b>21,9</b>	<b>44,0</b>	<b>135,2</b>	

5. Non appropriated funds from IPO proceeds as at 30.06.2009 were € 44,0 million. They are invested in short term time deposits and in the balance sheet are included in the account "Cash and cash equivalents".

Kifissia, 28 August 2009

Chairman

Chief Executive Officer

Chief Financial Officer

Theodore Vasilakis  
I.D. no. 3458197

Dimitrios Gerogiannis  
I.D. no. AB642495

Michael Kouveliotis  
I.D. no. P490629

**Agreed Upon Procedures Report on the  
"Report on the Use of IPO Proceeds"**

To the Board of Directors of AEGEAN AIRLINES S.A.

In accordance to the mandate from the Board of Directors of AEGEAN AIRLINES S.A. we have conducted the below agreed upon procedures within the regulatory and law framework of the Athens Stock Exchange (ASE) and Hellenic Capital Committee, on the "Report on the Use of IPO Proceeds" regarding to the Company's share capital increase with cash in 2007. The compilation of the above Table is the responsibility of the Company's management. Our responsibility is the conduct of the agreed upon procedures report in compliance with the International Standard on Related Services "ISRS 4400" which applies to the conduct of agreed upon procedures engagements and report our findings.

**Procedures:**

1. We compared the amounts disclosed as outflows in the "Report on the Use of IPO Proceeds" with those amounts that have been recognized in the Company's accounts, during the period they relate to.
2. We performed completeness and accuracy tests of the information in the "Report on the Use of IPO Proceeds", with this in the Information Bulletin as well as the relevant announcements and decisions of the Board of Directors of the Company including those relating to the amendment in the use of IPO proceeds timeline.

**Findings:**

- a. The amounts disclosed as outflows in the "Report on the Use of IPO Proceeds" agree with the amounts that have been recognized in the Company's accounts, during the period they relate to.
- b. The "Report on the Use of IPO Proceeds" meets the minimum information disclosure requirements set by the regulatory and law framework of the Athens Stock Exchange and ASE's Committee and is in accordance with the relevant announcements and decisions of the Board of Directors of the Company including those relating to the amendment in the use of IPO proceeds timeline.

The aforementioned procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements and therefore we do not provide any other assurance except for what is mentioned above. If the additional procedures had been carried out or if we had conducted the auditing or review procedures on the financial statements in compliance with the International Standards on Auditing or International Standards on Review Engagements, there could have come to our attention subjects other than those mentioned in our report above.

Our report is intended solely for the use of the Board of Directors of AEGEAN AIRLINES S.A. within the scope of meeting the requirements set by the regulatory and law framework of the Athens Stock Exchange and ASE's Committee and should not be used for other purposes. The current report relates only to the items specified above and does not extend to the financial statements of the Company for the period from 01.01.2009 to 30.06.2009 for which there is a separate auditors' report dated 28 August 2009.

Athens, 28 August 2009

**Panagiotis K.Vroustouris  
Certified Public Accountant Auditor  
Reg.Number 12921  
12A Doridos – Holargos Athens Greece**