



AEGEAN AIRLINES S.A.

**Interim Financial Statements on consolidated and
separate basis for the period from
January 1st to March 31st 2008**

**In accordance with
International Financial Reporting Standards**

**ANNUAL FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS
FROM 01/01/2008 TO 31/03/2008**

It is certified that the attached Financial Statements in pages 3 to 14 for the period 01/01-31/03/2008 are those that have been approved by the Board of Directors of the company "AEGEAN AIRLINES S.A." on May 19th, 2008 and have been posted on the company's website www.aegeanair.com

The data and information published on press aim at providing a general overview of the financial status and results of AEGEAN AIRLINES S.A. but not a complete picture of the Company's financial status and results, according to the International Financial Reporting Standards.

For Aegean Airlines S.A.

Theodoros Vassilakis

Dimitrios Gerogiannis

Eftichios Vassilakis

Chairman of BoD

Chief Executive Officer

Vice Chairman
Member of BoD

Company and Group Balance Sheet

	Notes	31/03/2008	31/12/2007
ASSETS			
Fixed assets			
Intangible assets	(4.1)	501,07	301,31
Tangible assets	(4.1), (4.2)	26.916,37	27.413,82
Down payments for tangible assets acquisition	(4.3)	77.233,26	77.820,93
Deferred tax liabilities		17.273,64	12.885,48
Other long term liabilities		6.705,71	5.922,27
Total fixed assets		128.630,04	124.343,79
Current assets			
Inventories		8.009,65	7.468,92
Customers and other trade receivables		61.338,61	60.113,50
Down payments		3.033,72	2.945,28
Cash and cash equivalents		155.655,83	158.309,59
Total current assets		228.037,81	228.837,28
TOTAL ASSETS		356.667,85	353.181,07
EQUITY AND LIABILITIES			
Parent company shareholders equity			
Share capital		107.125,65	107.125,65
Share premium account		144.774,41	144.774,41
Other reserves	(4.4)	(40.544,99)	(22.856,72)
Retained earnings		(65.994,10)	(61.551,65)
Total equity		145.360,98	167.491,69
Liabilities			
Long term liabilities			
Long term loan liabilities		23.864,66	30.814,89
Long term derivative instruments liabilities	(4.4)	26.538,23	13.592,44
Provisions for retirement benefits obligations		4.174,64	4.054,52
Total long term liabilities		54.577,53	48.461,85
Short term liabilities			
Suppliers and other liabilities		40.520,55	45.800,88
Long term loan liabilities payable next year		24.142,25	26.727,25
Other short term liabilities		4.563,99	5.306,95
Liabilities from tickets sold but not flown		31.119,62	19.640,55
Accrued expenses		15.231,29	11.716,34
Derivative instruments liabilities	(4.4)	28.300,36	17.661,80
Current tax liabilities		12.851,28	10.373,77
Total short term liabilities		156.729,35	137.227,53
Total liabilities		211.306,88	185.689,38
TOTAL EQUITY AND LIABILITIES		356.667,85	353.181,07

Income statement of the Group

	Notes	31/03/2008	31/03/2007
Revenue	(4.5)	98.806,36	80.265,97
Other operating income		3.360,01	193,79
Employee benefits	(4.6)	(17.153,16)	(14.659,57)
Depreciation/amortization		(1.124,94)	(954,53)
Operating profit		83.888,27	64.845,67
Consumption of materials & services		(89.901,88)	(67.409,27)
Profit / (loss) before tax, financing and investing results		(6.013,61)	(2.563,60)
Financial income		4.870,59	970,40
Financial expenses		(5.970,04)	(2.162,19)
Gain from sale of subsidiaries		0,00	5,00
Gain from purchase option rights assignment	(4.9)	1.372,34	0,00
Profit / (loss) before tax		(5.740,72)	(3.750,39)
Income tax		1.298,27	1.187,14
Profit / (loss) after tax		(4.442,45)	(2.563,25)
Distributed to:			
Parent shareholders		(4.442,45)	(2.563,25)
Minority interest		0,00	0,00
		(4.442,45)	(2.563,25)
Earnings per share			
Basic earnings per share in €		(0,06)	(0,05)

Income statement of the Company

	Notes	31/03/2008	31/03/2007
Revenue	(4.5)	98.806,36	80.265,97
Other operating income		3.360,01	193,79
Employee benefits	(4.6)	(17.153,16)	(14.659,57)
Depreciation/amortization		(1.124,94)	(954,53)
Operating profit		83.888,27	64.845,67
Consumption of materials & services		(89.901,88)	(67.392,91)
Profit / (loss) before tax, financing and investing results		(6.013,61)	(2.547,24)
Financial income		4.870,59	970,40
Financial expenses		(5.970,04)	(2.162,19)
Gain from sale of subsidiaries		0,00	5,00
Gain from purchase option rights assignment	(4.9)	1.372,34	0,00
Profit / (loss) before tax		(5.740,72)	(3.734,03)
Income tax		1.298,27	1.187,14
Profit / (loss) after tax		(4.442,45)	(2.546,89)
Earnings per share			
Basic earnings per share in €		(0,06)	(0,05)

Statement of changes in equity of the Group

	Share capital	Share premium	Reserves (other)	Accumulated profit/ (loss)	Total equity
Balance as at 1 January 2007	80.344,23	42.272,52	(8.872,82)	(97.291,11)	16.452,82
Equity adjustments for the period of 01/01-31/03/07					
Other reserves			2.871,55		
Deferred tax on the items recognized directly in equity			(727,44)		
Net income recognized directly in equity			2.144,11		2.144,11
Subsidiary Sale				(26,44)	
Net profit / (loss) of the period 01/01 - 31/03/07				(2.563,25)	
Net profit/ (loss) after tax recognized for the period				(2.589,70)	(2.589,70)
Balance as at 31 March 2007	80.344,23	42.272,52	(6.728,71)	(99.880,81)	16.007,23
Balance as at 1 January 2008	107.125,65	144.774,41	(22.856,72)	(61.551,65)	167.491,69
Equity adjustments for the period of 01/01-31/03/08					
Other reserves			(23.584,35)		
Deferred tax on the items recognized directly in equity			5.896,09		
Net income recognized directly in equity			(17.688,27)		(17.688,27)
Total profit/ (loss) recognized for the period				(4.442,45)	(4.442,45)
Balance as at 31 March 2008	107.125,65	144.774,41	(40.544,99)	(65.994,10)	145.360,98

Statement of changes in Equity of the Company

	Share capital	Share premium	Reserves (other)	Accumulated profit / (loss)	Total equity
Balance as at 1 January 2007	80.344,23	42.272,52	(8.872,82)	(97.333,92)	16.410,01
Equity adjustment for the period 01/01-31/03/07					
Other reserves			2.871,55		
Deferred tax on the items recognized directly in equity			(727,44)		
Net income recognized directly in the equity			2.144,11		2.144,11
Net profit / (loss) of the period 01/01 - 31/03/07				(2.546,89)	
Total profit/(loss) after tax recognized for the period				(2.546,89)	(2.546,89)
Balance as at 31 March 2007	80.344,23	42.272,52	(6.728,71)	(99.880,81)	16.007,23
Balance as at 1 January 2008	107.125,65	144.774,41	(22.856,72)	(61.551,65)	167.491,69
Equity adjustment for the period 01/01-31/03/08					
Other reserves			(23.584,35)		
Deferred tax on the items recognized directly in equity			5.896,09		
Net income recognized directly in the equity			(17.688,27)		(17.688,27)
Total profit/ (loss) recognized for the period				(4.442,45)	(4.442,45)
Balance as at 31 March 2008	107.125,65	144.774,41	(40.544,99)	(65.994,10)	145.360,98

Cash Flow Statement of the Group

	31/03/2008	31/03/2007
<u>Cash flows from operating activities</u>		
Net profit / (loss) before tax	(5.740,72)	(3.750,39)
<i>Adjustments for:</i>		
Depreciation of fixed assets	1.124,28	954,54
Results from sale of fixed assets	0,00	200,11
Profits from sale of subsidiaries	0,00	(5,00)
Interest and other financial income	(1.649,92)	(23,20)
Interest and other financial expenses	798,07	804,12
Loss /(profit) from financial derivatives	0,00	(1.613,29)
Provisions for retirement benefits obligations	351,27	210,60
Cash flows from operating activities before changes in working capital	(5.117,02)	(3.222,50)
<u>Changes in working capital</u>		
(Increase) / decrease in inventories	(540,73)	(214,12)
(Increase) / decrease in trade & other receivable	(5.546,20)	(10.074,69)
Increase / (decrease) in payables	12.646,52	10.564,26
Increase / (decrease) in derivatives liabilities	5.896,09	928,85
Cash outflows for retirement benefits obligations	(131,14)	0,00
Other changes in working capital	(783,44)	(1.680,94)
Total changes in working capital	11.541,09	(476,64)
Interest expenses paid	(290,19)	(804,12)
Net cash flows from operating activities	6.133,88	(4.503,27)
<u>Cash flows from investment activities</u>		
Purchases of fixed assets	(1.559,26)	(1.595,48)
Sales of fixed assets	6,40	25.813,26
Advances for acquisition of fixed assets	1.313,95	(11.625,47)
Sale of subsidiaries	0,00	2.694,55
Interest and other financial income received	1.494,39	23,20
Net cash flows from investment activities	1.255,47	15.310,06
<u>Cash flows from financing activities</u>		
Loans drawn / (repaid)	(10.043,11)	4.693,86
Changes in financial leases capital	0,00	(16.361,07)
Net cash flows from financing activities	(10.043,11)	(11.667,21)
Net (decrease)/ increase in cash and cash equivalents	(2.653,76)	(860,43)
Cash and cash equivalents at the beginning of the period	158.309,59	24.355,11
Cash and cash equivalents at the end of the period	155.655,83	23.494,68

Cash Flow Statement of the Company

	31/03/2008	31/03/2007
<u>Cash flows from operating activities</u>		
Net profit / (loss) before tax	(5.740,72)	(3.734,02)
<i>Adjustments for:</i>		
Depreciation of fixed assets	1.124,28	954,54
Results from sale of fixed assets	0,00	200,11
Profits from sale of subsidiaries	0,00	(5,00)
Interest and other financial income	(1.649,92)	(23,20)
Interest and other financial expenses	798,07	804,12
Loss /(profit) from financial derivatives	0,00	(1.613,29)
Provisions for retirement benefits obligations	351,27	210,60
Cash flows from operating activities before changes in working capital	(5.117,02)	(3.206,15)
<u>Changes in working capital</u>		
(Increase) / decrease in inventories	(540,73)	(214,12)
(Increase) / decrease in trade & other receivable	(5.546,20)	(10.074,69)
Increase / (decrease) in payables	12.646,52	10.547,91
Increase / (decrease) in derivatives liabilities	5.896,09	928,85
Cash outflows for retirement benefits obligations	(131,14)	0,00
Other changes in working capital	(783,44)	(1.680,94)
Total changes in working capital	11.541,09	(493,00)
Interest expenses paid	(290,19)	(804,12)
Net cash flows from operating activities	6.133,88	(4.503,27)
<u>Cash flows from investment activities</u>		
Purchases of fixed assets	(1.559,26)	(1.595,48)
Sales of fixed assets	6,40	25.813,26
Advances for acquisition of fixed assets	1.313,95	(11.625,47)
Sale of subsidiaries	0,00	2.705,00
Interest and other financial income received	1.494,39	23,20
Net cash flows from investment activities	1.255,47	15.322,51
<u>Cash flows from financing activities</u>		
Loans drawn / (repaid)	(10.043,11)	4.693,86
Changes in financial leases capital	0,00	(16.361,07)
Net cash flows from financing activities	(10.043,11)	(11.667,21)
Net (decrease)/ increase in cash and cash equivalents	(2.653,76)	(847,97)
Cash and cash equivalents at the beginning of the period	158.309,59	24.342,66
Cash and cash equivalents at the end of the period	155.655,83	23.494,68

Basis of presentation of the financial statements

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) under the historical cost convention as modified by the revaluation of particular items of assets and liabilities at their fair value, the going concern principle and are in conformity with the framework for the preparation of financial statements of IASB and with IAS 34 "Interim financial reporting".

The current financial statements have been prepared in all material aspects on base of the same accounting policies and estimates that were followed for the preparation of the corresponding financial statements of 31st December, 2007.

1. Seasonal fluctuations

The operating results of the Company are substantially different from one quarter period to another within the fiscal year – a tendency that is expected to continue in the future as a result of seasonal fluctuations in combination with relatively high fixed costs of the Company. Historically, the Company records a substantial part of its revenue from passengers between April and September, and, to a smaller extent, during Easter and Christmas/New Year holiday season. The demand and the average fares are generally higher during these periods. In contrast, lower revenue is recorded during the first and the fourth quarter since there is a smaller demand during the winter period. While most of the Company's expenses are equally allocated within the year, lower operating results are generally recorded during the first and fourth quarter.

2. Consolidation

The consolidated financial statements comprise the financial statements of the companies AEROGAMMES ELLADOS – AERODROMISSIS S.A (discreet title AIR GREECE) for the year 2007 .

AIR GREECE S.A.

Subsidiary by 99,29%

Sold in March 2007

In March 2007, the Company disposed of the total of the shares of the company AEROGAMMES ELLADOS – AERODROMISSIS S.A (496.962 items) to a third party independent investor at the amount of € 5 thousand. This transaction resulted in an equivalent profit because of the investment's full impairment as from the year of transition to IFRS (01/01/04).

3. Segment reporting

The results of the Group per segment are analyzed as follows:

01/01/2008-31/03/2008	Scheduled flights	Charter flights	Other operating income	Total
Total revenue	90.768,95	3.589,42	4.447,98	98.806,35
Operating profit / (loss)	(11.472,43)	764,41	1.334,39	(9.373,62)
Financial results				(1.099,45)
Other operating income/expenses				4.732,35
Profit / (loss) before tax				(5.740,72)
Income tax				1.298,27
Profit / (loss) after tax				(4.442,45)

01/01/2007-31/03/2007	Scheduled flights	Charter flights	Other operating income	Total
Total revenue	73.660,16	2.255,13	4.350,68	80.265,97
Operating profit / (loss)	(4.677,72)	421,47	1.515,13	(2.741,12)
Financial results				(1.191,79)
Other operating income/expenses				182,43
Profit / (loss) before tax				(3.750,39)
Income tax				1.187,13
Net profit / (loss) after tax				(2.563,25)

4. Selected notes on the financial statements

4.1 Fixed assets

The total amount of fixed assets additions for the first quarter of 2008 was € 1.561,90 thousand, while the corresponding total amount of sales was € 6,40 thousand.

For the first quarter of 2007, fixed asset additions were €1.595,48 thousand and there were no sales of fixed assets.

4.2 Construction of building on third party land plot

The company has initiated the construction of a hangar in Athens International Airport. The estimated construction cost of the aforementioned building is € 6.500,00 thousand.

The construction cost up to 31/03/2008 is € 2.651,44 thousand.

As at 31/03/2008, the assets are unencumbered against borrowing or other kind of business operation of the Group and the Company.

4.3 Advances for fixed assets acquisition

Advances for fixed assets acquisition mainly refer to down payments to foreign organizations for aircraft and engines acquisition of the company and are analyzed as follows:

	31/03/2008	31/12/2007
Advances to Airbus	71.224,64	74.841,38
Advances to I.A.E.	3.357,18	2.823,47
Other advances	2.651,44	156,07
Total	77.233,26	77.820,93

4.4 Liabilities from financial derivatives and fuel derivatives contracts

The company enters into financial derivatives contracts that refer to currency forwards. The aforementioned contracts are used as cash flow hedging instruments in order to cover the risks arising from the changes in Dollar prices and to avoid increase in liabilities through constant dollar rates.

As of 31/03/2008 the maturity years and the nominal amounts are analyzed as follows:

Maturity year	Currency	Nominal amount in USD	Nominal amount in EURO
2008	USD	183.000,00	115.734,88
2009	USD	234.000,00	147.988,87
2010	USD	204.000,00	129.015,94
2011	USD	168.000,00	106.248,42
TOTAL		789.000,00	498.988,11

The conversion rate from USD to Euro used is the exchange rate of the European Central Bank on March 31, 2008 (1 Euro=1.5812 US dollars).

Furthermore, as at March 31st, 2008, the Company has entered into fuel derivative contracts (commodity swaps) of a total amount of 15 thousand metric tons that cover round 15% of the estimated fuel needs for the 2nd and 3rd quarter of 2008. These derivative contracts are used as cash flow hedging instruments in order to cover the risk of fuel price increase.

The fair values of derivatives products are based on market measurement (marked to market) which are confirmed by the credit institutions with which the relative contracts have been signed.

Changes in fair values of the hedging instruments are recognized in equity as reserves .

4.5 Revenue

Revenue for the Group and the Company refer to tickets issues, sales of goods and other services.

The sales of the Group and the Company are analyzed as follows:

	31/03/2008	31/03/2007
Scheduled flights revenue	81.838,50	67.062,51
Charter flights revenue	3.419,43	2.168,07
Revenue from airport passenger charges	9.100,43	6.684,71
Other operating revenue	4.447,98	4.350,68
Total	98.806,35	80.265,97

4.6 Employees

The number of the company's employees is as follows:

	31/03/2008	31/12/2007	31/03/2007
Employees	1.969	1.923	1.810

4.7 Related parties transactions

The transactions with the aforementioned companies are carried out on purely commercial terms, i.e. based on cost plus the company's commercial margin with other companies with shareholding connection (related companies-shareholders) and companies with common BoD members with the main shareholder of the company (other related parties).

Receivables from :	31/3/2008	31/12/2007
Shareholders	102,75	1.014,80

Other Related Parties	48,08	29,02
Total	150,82	1.043,82
Liabilities to :	31/3/2008	31/12/2007
Shareholders	86,77	85,42
Other Related Parties	46,62	26,17
Total	133,40	111,58
Parent company services granted to :	31/3/2008	31/3/2007
Associates	0,00	3,37
Shareholders	86,58	123,18
Other related parties	17,30	16,84
Total	103,89	143,39
Parent company service received from:	31/3/2008	31/3/2007
Shareholders	615,59	301,05
Other related parties	53,60	48,44
Total	669,19	349,49
Parent company assets sale to:	31/3/2008	31/3/2007
Other related parties	0,00	14,29
Balance with Piraeus Bank S.A. (shareholder)	31/3/2008	31/12/2007
Sight deposits	1.500,16	583,04
Time deposits	50.042,00	62.734,41

The Group does not participate in any transaction of unusual nature or content of material impact to the Group, the companies or closely related individuals, and has no intention to enter into such transactions in the future. None of the transactions includes special terms and regulations and no guarantee was given or received.

The transactions with directors and BoD members are as follows:

	31/3/2008	31/3/2007
Short term benefits		
- BoD members fees	489,94	282,42
- Salaries	332,83	247,81
- Social insurance expenses	15,81	14,14
- Benefits in kind and other payments	27,22	13,92
- Liabilities to BoD member and directors	0,00	0,00
Total	865,80	558,29

4.8 Tax unaudited fiscal years

The company has been audited by the tax authorities up to the fiscal year 2006.

4.9 Commitments, contingent assets and liabilities
(1) Commitments
Operating leases

The company's obligations arise mainly from aircraft used in flights operations.

The minimum future lease payments of the company are analyzed as follows:

	31/03/2008 (in USD)	31/03/2008 (in EURO)	31/03/2007 (in USD)	31/03/2007 (in EURO)
Up to 1 year	50.948,60	32.221,48	46.273,40	34.745,01
Between 1 and 5 years	139.893,69	88.473,11	124.246,50	93.292,16
More than 5 years	14.849,93	9.391,56	0,00	0,00
Total	205.692,22	130.086,15	170.519,90	128.037,17

The conversion rate from USD to Euro used is the exchange rate of the European Central Bank on March 31, 2008 (1 Euro=1.5812 US dollars).

Within the first quarter of 2008, the Company initiated the operating lease of two new aircraft AIRBUS A320 and finalized a Sale and Lease Back transaction of another two new aircraft AIRBUS A320.

The gain of the above Sale and Lease Back transaction amounted to € 1.372,34 thousand. Additionally from this transaction, occurred a foreign exchange loss amounting to € 3.238,38 thousand so, the total cost of the Sale and Lease Back transaction amounted to € 1.866,04 thousand (loss).

Capital Commitments

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

- 2008: 6 aircraft A320,
- 2009: 5 aircraft A320.
- 2010 : 6 aircraft A320.

(2) Contingent assets

There is no change compared to 31st December, 2007.

(3) Contingent liabilities

There is no change compared to 31st December, 2007.

4.10 Post Balance Sheet events

In April 2008 the first new aircraft AIRBUS A321 has been added to the company's aircraft fleet under an operating lease arrangement.

Also, in April 2008 the first new aircraft type AIRBUS A320 from the purchase agreement with AIRBUS has been added in the company's aircraft fleet under a financial lease arrangement.

There are no other post balance sheet subsequent events that impact materially the Company to be reported according to the International Financial Reporting Standards (IFRS).