



A STAR ALLIANCE MEMBER 

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 2013 to 30 June 2013)**

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

TABLE OF CONTENTS

	Page
A) Statements of the Board of Directors Representatives	2
B) Semi annual Report of the Board of Directors	3
C) Auditor's Report on Review of Interim Financial Statements	7
D) Interim Semi Annual Financial Statements for the period 1 January 2013 to 30 June 2013	8
E) Figures and Information for the period 01.01.2013 – 30.06.2013	24

**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 2013 to 30 June 2013 which were prepared in accordance to the International Financial Reporting Standards, 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, 30 August 2013

The undersigned

Theodore Vassilakis

Dimitrios Gerogiannis

Eftichios Vassilakis

Chairman

Managing Director

Vice Chairman

**B. SEMI ANNUAL REPORT OF THE BOARD OF DIRECTORS
of the company "AEGEAN AIRLINES S.A."**

for the period from 1 January 2013 to 30 June 2013

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 2013 and the Company's major transactions with related parties.

1. Financial review, business developments and major events for the first half of 2013

In the first half of 2013 the Company improved its fundamentals, as a result of increased outward focus, strengthening of its international network and the recovery of inbound tourist traffic, which overall offset the continued shrinking of demand from the domestic market.

The reverse of the negative trend regarding Greece, compared with the corresponding period of 2012, when fears of political instability had resulted in a wave of cancellations, led to a significant increase in inbound tourism. According to provisional data of SETE, tourist arrivals are 10% higher compared with the first half of 2012 showing a positive momentum, especially during the summer months.

In contrast, the domestic market continues to decline, as a result of the recession of the Greek economy and especially the weakening of private consumption. Total market sales for domestic routes fell by 13% in the first half of 2013 (total travel agencies sales including web/BSP). Domestic passenger traffic from/to the Athens International Airport fell by 7% compared with 2012.

AEGEAN's efforts focused on the management of cost elements, with targeted actions being implemented from April 2012, as well as network restructuring, to achieve the best possible outcome.

More specifically, the Company has adjusted capacity on domestic flights, offering significantly lower rates and thus achieving growth in the load factors of flights to an average 67%, from 61%. Despite this, the revenue of the Company from domestic market decreased by 8%.

The capacity released from the domestic routes was allocated in international flights, aiming to increase incoming tourism both in Athens and regional airports, where six bases for direct international flights are operated, achieving a revenue growth of over 25% (scheduled and charter flights). The average load factor on scheduled international flights improved to 76% from 70%.

From the second quarter of the year the Company operates from 8 bases (Athens, Thessaloniki, Heraklion, Rhodes, Corfu, Kos, Kalamata, Larnaca) a total of 158 international routes. During this year, 32 new routes have been added as well as flights to 11 new destinations: Geneva, Manchester, Lyon, Stockholm, Kiev, Baku, Berlin, Nuremberg, Hannover, Warsaw, and London Stansted.

The key financial figures for the first half of 2013 were as follows:

-Sales amounted to € 278.7 million compared to € 228.9 million the first half of 2012, representing an increase of 21.8%, due to the significant strengthening of average load factor on international flights, which more than offset the continuing decline in revenue from domestic flights that presented another year of decline.

-International traffic increased by 11% to 1.6 million passengers while domestic traffic decreased by 5% to 1.15 million passengers.

-Fuel costs amounted to € 81.3 million, decreased by 4.4% from € 85.1 million the first half of 2012, mainly due to lower prices of jet fuel compared with 2012.

-Company's costs have been reduced by 3.9%, from € 232.5 million in 2012 to € 223.5 million in 2013.

-Increased sales combined with lower costs drove operating income before interest, taxes, depreciation and lease costs (EBITDAR) to a profit of € 55.1 million, compared to losses of € 3.6 million in the first half of 2012.

- Aircraft lease cost was also lower at € 33.1 million from € 35.9 million in the first half of 2012, mainly due to the renegotiation of the lease agreements with the owners of the aircrafts, which was completed in the second half of 2012.
- In terms of income before taxes (EBT), the company reported profits of € 15.9 million, compared to losses of € 48 million in 2012.
- The Company maintains a healthy capital structure with cash and cash equivalents on 30/06/2013 at € 209.2 million from 149.3 million on 31/12/2012.
- The Company's fleet numbered 30 aircraft on 30/06/2013.

Prospects

The Company's outlook remains positive for the third quarter, with a continuing positive momentum in the international routes. On the other hand, the domestic routes are expected to continue to decline in value.

It has to be noted that the decision on the acquisition of Olympic Air is expected by the European Competition Commission in mid-October. The earliest possible capitalization of the synergies from the acquisition of Olympic Air is considered a priority that will allow to further upgrade international-domestic interconnectivity but also to cover demand at all domestic points with affordable, internationally competitive fares.

Another parameter that continues to generate challenges for the Company is increasing competition from the major European low-cost carriers that strengthen their presence in the Greek market.

Moreover, recent developments in Syria have led to a significant recovery in the price of oil.

Company's priorities remain:

- 1) To continue to improve both in the level of services and unit costs
- 2) To generate extra revenue per passenger by selling additional / ancillary services
- 3) To maintain the strong customer relationship by enhancing the price / value relation
- 4) To continue benefiting from the Star Alliance participation
- 5) To remain and even become more flexible in terms of network and fleet depending on the evolution of the economy

Key Performance Indicators Measurement

The Company measures its efficiency by making particular use of the following performance indicators used internationally in the field of aviation economics:

RASK (Revenue per Available Seat Kilometer): The ratio divides the total revenue to total seats available for sale multiplied by the total mileage.

CASK (Cost per Available Seat Kilometer): The ratio divides the total operating expenses excluding lease costs to total seats available for sale multiplied by the total mileage.

Passenger yield: The ratio divides the total revenue from passenger transport to all the passengers multiplied by the total number of kilometers traveled.

The above indicators for 2013 compared with the previous year are as follows:

(in € cents)	H1 2013	H1 2012
RASK	6,64	5,42
CASK	5,32	5,51

CASK (excluding fuel cost)	3,38	3,49
Passenger yield	8,90	7,81

Both the large increase in the revenue side and the cost savings are reflected in the improved indicators: RASK (+22,5%), CASK (-3,4%) and Passenger yield (+14%).

- 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 2013, the Company had entered into currency contracts to hedge its estimated requirements of U.S. dollars with respect to 47% on average of the projected needs for the period 2013-2014. 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 2013, the Company has hedged its exposure to cash flow risk from interest rate fluctuations for two out of the four aircraft finance leases which account for 48% 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.

On 30 June 2013, the Company had signed forward contracts to buy jet fuel (commodity swaps) which account for 32% approximately of the projected fuel needs for the remaining period of 2013-2014.

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. Under the current circumstances though, the credit risk has increased compared to the past.

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.

2. Related parties transactions

The Company's transactions with related parties during the first half of 2013 were on an arm's length basis and they don't differ materially from the respective period last year.

The most significant transactions of the Company with related parties according to IAS 24, are transactions with companies owned by the main shareholder - which nevertheless are non material given the size of the Company - and are depicted in the following table:

Amounts in thousand euros	Income	Expenses	Receivables	Liabilities
AUTOHELLAS HERTZ S.A. (cars and property leasing)	96,82	783,88	34,34	190,77
TECHNOCAR S.A.	3,16	0,00	13,82	0,00
VACAR S.A.	0,00	2,49	2,30	2,27
VELMAR S.A.	3,70	5,94	23,35	4,05

Finally, the compensation of the Company's directors and Board of Directors' members for the period 1/1-30/06/2013 was € 1.526,40 thousand.

Kifissia, 30 August 2013

Aegean Airlines
 Managing Director

Dimitrios Gerogiannis

C. AUDITOR'S REVIEW REPORT ON 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 2013, 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 applies 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". 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

Our review has not detected any inconsistency or mismatch between the other elements of the six month report provided by article 5 of Law 3556/2007 and the accompanying financial information.

Athens, 30 August 2013

ENEL AUDITING S.A.
Reg.Number 155

388 Mesogeion Avenue
Ag. Paraskevi Athens Greece

Certified Accountant

Michalis Zacharioudakis
Reg.Number 13191

D. INTERIM SEMI ANNUAL FINANCIAL STATEMENTS

**FOR THE PERIOD
1 JANUARY 2013 TO 30 JUNE 2013
(Amounts in thousands euros)**

TABLE OF CONTENTS

1. Financial Position as at 30.06.2013	9
2. Statement of Comprehensive Income.....	10
3. Statement of changes in Equity for the period ended at 30.06.2013.....	11
4. Cash Flow Statement for the period ended at 30.06.2013.....	12
5. Notes to the Interim Financial Statements	13
5.1 General information	13
5.2 Nature of operations	13
5.3 Basis of preparation of the interim financial statements.....	13
5.4 New Standards and Interpretations.....	Error! Bookmark not defined.
5.5 Standards and Interpretations Effective for the Year 2013.....	13
5.6 New Standards and Interpretations Effective for annual Periods beginning after 01.01.2013	14
5.7 Seasonality	14
5.8 Operating Segments	14
5.9 Tangible assets	16
5.10 Advances for assets' acquisition.....	18
5.11 Financial Derivatives	18
5.12 Customer and other receivables	18
5.13 Revenue	19
5.14 Financial income/expenses.....	19
5.15 Financial Assets	19
5.16 Existing encumbrances.....	19
5.17 Commitments.....	20
5.18 Provisions	20
5.19 Income tax	21
5.20 Contingent assets and liabilities.....	21
5.21 Loans.....	21
5.22 Related parties transactions.....	21
5.23 Transactions with directors and Board of Directors members	21
5.24 Other events.....	22
5.26 Other information	22

1. Financial Position as at 30.06.2013

	Note	30/06/2013	31/12/2012	01/01/2012
ASSETS				
Non current assets				
Intangible assets		27.235,00	26.791,31	27.176,57
Tangible assets		84.365,55	89.240,61	98.944,87
Advances for assets acquisition	5.11a	20.094,94	20.094,94	20.109,34
Advances for investing activities	5.11b	20.000,00	20.000,00	0,000
Deferred tax assets		17.030,00	16.384,50	12.767,19
Other long term assets		8.784,13	9.256,75	9.245,74
Hedging derivatives		414,68	0,00	2.514,07
Total non current assets		177.924,30	181.768,12	170.757,78
Current assets				
Inventories		5.614,74	5.331,19	5.975,14
Customers and other receivables	5.13	76.049,86	47.089,63	52.425,11
Advances		4.000,48	4.450,02	11.730,93
Financial Assets at fair value		15.740,53	6.784,37	5.460,00
Hedging derivatives		1.708,44	2.145,93	4.957,17
Cash and cash equivalents		209.208,09	149.299,77	166.800,94
Total current assets		312.322,13	215.100,91	247.349,28
TOTAL ASSETS		490.246,44	396.869,03	418.107,06
EQUITY				
Share capital		46.421,11	46.421,11	46.421,11
Share premium account		144.774,41	144.774,41	144.774,41
Other reserves		822,93	1.040,40	6.648,40
Retained profit / (loss)		(21.387,29)	(37.865,53)	(26.995,59)
Total equity		170.631,16	154.370,39	170.848,32
LIABILITIES				
Long term liabilities				
Financial lease liabilities	5.18c	58.309,28	61.661,38	70.751,86
Long term loans		0,00	8.340,00	0,00
Hedging derivatives		2.258,53	2.823,21	2.771,67
Personnel retirement obligations		6.453,57	6.353,57	5.602,20
Provisions	5.19b	30.083,70	29.129,25	30.383,42
Total long term liabilities		97.105,09	108.307,42	109.509,15
Short term liabilities				
Suppliers		55.598,18	48.469,67	41.190,52
Long term loans payable next year		0,00	4.370,39	0,00
Short term loans		0,00	0,00	20.024,92
Long term financial leases' obligations payable next year	5.18c	7.853,18	7.753,91	7.699,80
Other short term liabilities		51.303,95	16.582,75	19.130,35
Liabilities from tickets sold but not flown		88.158,30	38.747,20	33.043,88
Accrued expenses		14.975,23	12.183,08	15.133,81
Derivatives instruments liabilities		2.721,35	1.759,43	126,29
Provisions	5.19a	1.900,00	4.324,77	1.400,00
Total short term liabilities		222.510,20	134.191,22	137.749,59
Total liabilities		319.615,28	242.498,64	247.258,74
TOTAL EQUITY AND LIABILITIES		490.246,44	396.869,03	418.107,06

2. Statement of Comprehensive Income
Income statement

	Note	01/01- 30/06/2013	01/01- 30/06/2012	01/04- 30/06/2013	01/04- 30/06/2012
Revenue	5.14	278.614,20	228.887,42	179.743,46	140.355,55
Other income		2.039,25	1.984,16	777,60	856,94
Personnel expenses		(29.929,60)	(35.060,81)	(16.005,34)	(17.396,78)
Depreciation		(5.471,21)	(5.826,86)	(3.035,18)	(3.068,88)
Consumption of materials and services		(228.735,91)	(235.310,88)	(138.254,11)	(132.997,86)
(Loss) / Gain from fair value revaluation		0,00	353,44	(105,62)	(101,56)
Financial income	5.15	4.589,05	3.144,36	2.051,83	(1.281,60)
Financial expense	5.15	(5.196,62)	(6.175,81)	(1.019,04)	(3.219,01)
Profit / (Loss) before tax		15.909,15	(48.004,96)	24.153,60	(16.853,21)
Income tax	5.20	569,09	9.481,83	(6.435,94)	3.311,48
Profit / (Loss) after tax		16.478,24	(38.523,14)	17.717,67	(13.541,73)

Statement of total income

		01/01- 30/06/2013	01/01- 30/06/2012	01/04- 30/06/2013	01/04- 30/06/2012
(a) Transferred in the income statement					
Cash flow hedging		(420,04)	(301,76)	(3.026,62)	3.981,23
Available for sale financial assets		126,16	0,00	126,16	0,00
Income tax		76,40	60,35	754,12	(796,25)
Total (a)		(217,48)	(241,41)	(2.146,34)	3.184,98
(b) Non-transferred in the income statement					
Profit / (loss) for the employee retirement benefits		0,00	(233,42)	0,00	(116,71)
Deferred tax		0,00	46,69	0,00	23,35
Total (b)		0,00	(186,73)	0,00	(93,36)
Other comprehensive income for the period after taxes		(217,48)	(428,14)	(2.146,34)	3.091,62
Total comprehensive income		16.260,76	(38.951,28)	15.571,33	(10.450,11)
Basic earnings / (loss) per share in €		0,2307	(0,5394)	0,2481	(0,1896)

3. Statement of changes in Equity for the period ended at 30.06.2013

	Issued capital	Share premium	Fair value reserves	Reserves (other)	Accumulated profit / (loss)	Total equity
Balance as at 1 January 2012	46.421,11	144.774,41	3.658,63	2.989,76	(28.524,97)	169.318,94
Change in accounting policy (IFRS 19)					1.529,38	1.529,38
Total comprehensive income after taxes			(241,41)		(38.709,87)	(38.951,28)
Balance as at 30 June 2012	46.421,11	144.774,41	3.417,22	2.989,76	(65.705,47)	131.897,04
Balance as at 1 January 2013	46.421,11	144.774,41	(1.949,36)	2.989,76	(37.865,53)	154.370,39
Total comprehensive income after taxes			(217,48)		16.478,24	16.260,76
Balance as at 30 June 2013	46.421,11	144.774,41	(2.166,84)	2.989,76	(21.387,28)	170.631,16

4. Cash Flow Statement for the period ended at 30.06.2013

	30/06/2013	30/06/2012
<u>Cash flows from operating activities</u>		
Profit / (loss) before tax	15.909,15	(48.004,96)
<u>Adjustments for:</u>		
Depreciation of tangible assets	5.469,74	5.826,86
Provisions	379,68	2.604,45
Foreign currency exchange (gains) / losses	510,49	1.500,96
(Profit) / loss from investing activities	(1.775,67)	(1.160,79)
Finance Cost	1.748,57	2.337,83
Cash flows from operating activities before changes in working capital	22.241,95	(36.895,65)
<u>Changes in working capital</u>		
(Increase)/Decrease in inventories	(283,54)	383,98
(Increase)/Decrease in trade & other receivables	(27.484,02)	(954,36)
(Increase)/Decrease in hedging derivatives assets	22,81	(342,14)
Increase/(Decrease) in trade payables	92.244,01	62.463,43
Increase /(Decrease) in derivatives liabilities	179,76	402,49
Total changes in working capital	64.679,01	61.953,40
Interest expenses payable	(1.633,07)	(1.754,60)
Income tax paid	85.287,89	23.303,16
Net cash flows from operating activities		
<u>Cash flows from investing activities</u>	(1.043,63)	(784,70)
Purchase of assets	1,82	37,03
Sale of tangible assets	(8.830,00)	0,00
Proceeds from sale of shares	1.143,77	858,68
Interest and other financial income received	(8.728,05)	111,01
Net cash flows from investing activities		
<u>Cash flows from financing activities</u>	(12.710,39)	(5.024,95)
Loans repayment	(3.941,14)	(3.848,33)
Finance leases capital repayment	(16.651,53)	(8.873,28)
Net cash flows from financing activities		
Net (decrease)/ increase in cash and cash equivalents	59.908,31	14.540,88
Cash and cash equivalents at the beginning of the year	149.299,77	166.800,94
Cash and cash equivalents at the end of the period	209.208,09	181.341,82

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 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 6-month period from 1 January 2013 to 30 June 2013. 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 reporting currency is Euro and the amounts are expressed in thousands.

The interim financial statements for the six month period of 2013 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 2012 except the Employees benefits finance costs recognition (Note 5.4) and the deduction of the Airports passenger charges from Revenue. The above mention change had no effect in the Income Statement, the Equity, the Assets and the Liabilities of the Company.

Revenues and Consumption of materials and services for 2012 six months have been reduced equally by 40,5 mil euro, for 2012 Q1 reduced equally by 24,4 mil euro and for 2013 Q1 have been reduced equally by 16,9 mil euro.

The attached interim financial statements should be read along with the annual financial statements for the period ended at 31 December 2012 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 Standards and Interpretations Effective for the Year 2013

Amendment to IAS 1 "Presentation of Items of Other Comprehensive Income". The amendment requires for entities to group items presented in OCI on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). It did not have effect on the financial statements of the company. (Effective for annual periods beginning on or after 01.07.2012).

New (Modified) IAS 19 "Employee Benefits". The new standard eliminates the corridor approach and calculates finance costs on a net funding basis. It is not expected to have a material effect on the financial statements of the company. (Effective for annual periods beginning on or after 01.01.2013). The company has applied the new standard and has recognised retrospectively in OCI the total amount of actuarial gains/(losses). The main effect from IAS 19 retroactive application was an increase of 1,52 mil euro in 01.01.2012 Equity with an equal reduction of Liabilities.

5.5 New Standards and Interpretations Effective for annual Periods beginning after 01.01.2013

IFRS 9 "Financial Instruments". IFRS 9 is the first part of Phase 1 of the Board's project to replace IAS 39. Under this standard financial assets are measured at amortized cost or fair value and depend on the basis of the entity's business model for managing the financial assets. It is not expected to have material effect on the financial statements. (Effective for annual periods beginning on or after 1 January 2015).

"Amendment to IAS 32 Financial Instruments - Presentation". The amendments refer to offsetting financial assets and financial liabilities. It is not expected to have material effect on the financial statements. (Effective for annual periods beginning on or after 1 January 2014).

"Investment Entities (Amendments in: IFRS 10, IFRS 11 and IAS 27)". Not applicable to the Company. (Effective for annual periods beginning on or after 1 January 2014).

"Novation of Derivatives and Continuation of Hedge Accounting (Amendments to IAS 39)". The amendments refer to the provision of relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria. It is not expected to have material effect on the financial statements (Effective for annual periods beginning on or after 1 January 2014).

"Recoverable Amount – Disclosures for Non Financial Assets (Amendments to IAS 36)". The amendments impose additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposal. It is not expected to have material effect on the financial statements (Effective for annual periods beginning on or after 1 January 2014).

"IFRIC 23 levies". The Interpretation addresses the accounting for a liability to pay a levy if that liability is within the scope of IAS 37, as well as the accounting for a liability to pay a levy whose timing and amount is certain. It is not expected to have material effect on the financial statements. (Effective for annual periods beginning on or after 1 January 2014).

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:

01/01/2013-30/06/2013	Scheduled flights	Charter flights	Other income	Total
Total revenue	233.309,64	26.294,93	19.009,65	278.614,22
Operating result	10.025,56	2.208,77	2.243,14	14.477,47
Financial results				(607,57)
Other income/(expenses)				2.039,25
Profit before tax				15.909,15
Income tax				569,09
Net result after tax				16.478,24
01/01/2012-30/06/2012	Scheduled flights	Charter flights	Other income	Total
Total revenue	191.356,88	22.355,31	15.175,24	228.887,43
Operating result	(49.891,74)	835,47	1.745,15	(47.311,12)
Financial results				(2.678,00)
Other income/(expenses)				1.984,16
Profit / (Loss) before tax				(48.004,96)
Income tax				9.481,83
Net result after tax				(38.523,14)

Other income consists of cargo revenue, onboard sales as well as revenue relating to income generated from ticket sales services.

Assets and liabilities breakdown per segment is analyzed as follows:

01/01/2013-30/06/2013	Scheduled flights	Charter flights	Total
Segment's assets	225.147,27	902,49	226.049,76
Non assigned to segments assets			264.196,68
Total Assets			490.246,44

Segment's liabilities	296.416,04	9.865,78	306.281,83
Non assigned to segments liabilities			13.333,45
Total Liabilities			319.615,28
01/01/2012-30/06/2012	Scheduled flights	Charter flights	Total
Segment's assets	200.587,33	659,36	201.246,69
Non assigned to segments assets			237.754,29
Total Assets			439.000,99
Segment's liabilities	275.157,90	5.111,24	280.269,14
Non assigned to segments liabilities			28.177,47
Total Liabilities			308.446,61

5.8 Tangible assets

(a) Aircraft

The Company's fleet as at 30.06.2013 consisted of 29 aircraft, as analyzed below:

- 22 Airbus A320
- 4 Airbus A321
- 3 Airbus A319

(b) Table of tangible assets

	Land plots & Buildings	Self owned aircraft	Aircraft Leasing	Aircraft Leasing maint. reserves	Machinery & Aircraft equipment	Airport equipment	Other vehicles	Furniture and spare parts	Total
Balance at 1 January 2012	11.958,09	6.475,32	69.795,08	40.160,02	7.659,81	1.824,39	761,24	8.344,17	146.978,12
Additions	40,35	-	-	-	88,27	241,64	11,32	39,07	420,66
Disposals	(2,10)	-	-	-	(9,03)	(25,45)	(91,24)	(180,02)	(307,83)
Balance at 30 June 2012	11.996,35	6.475,32	69.795,08	40.160,02	7.739,05	2.040,58	681,32	8.203,23	147.090,95
Accumulated depreciation					-	-	-	-	
Balance at 1 January 2012	3.408,83	1.699,77	9.459,43	17.805,54	5.624,65	1.434,62	562,36	8.038,05	48.033,25
Depreciation	416,31	161,88	1.570,39	2.635,96	134,76	55,98	49,07	284,60	5.308,96
Disposals	(0,39)	-	-	-	(9,03)	(0,48)	(82,83)	(173,78)	(266,51)
Balance at 30 June 2012	3.824,75	1.861,65	11.029,82	20.441,50	5.750,39	1.490,12	528,60	8.148,87	53.075,69
Depreciable value at 30 June 2012	8.171,60	4.613,67	58.765,27	19.718,53	1.988,67	550,46	152,72	54,35	94.015,26
Balance at 1 January 2013	12.209,47	6.475,32	69.795,08	40.160,02	8.365,08	1.986,37	666,34	8.174,08	147.831,77
Additions	67,00	-	-	-	0,95	-	-	54,71	122,66
Disposals	-	-	-	-	(1,06)	(4,08)	(8,48)	(8,25)	(21,87)
Balance at 30 June 2013	12.276,47	6.475,32	69.795,08	40.160,02	8.364,98	1.982,29	666,34	8.180,58	147.932,57
Accumulated depreciation									
Balance at 1 January 2013	4.453,43	2.023,53	12.600,21	23.235,92	6.934,33	1.505,86	555,70	7.282,19	58.591,16
Depreciation	288,34	161,88	1.570,39	2.588,06	141,80	41,62	11,58	190,27	4.993,94
Disposals	-	-	-	-	(1,06)	(0,86)	(7,91)	(8,25)	(18,08)
Balance at 30 June 2013	4.741,78	2.185,41	14.170,60	25.823,98	7.075,08	1.546,62	559,36	7.464,20	63.567,02
Depreciable value at 30 June 2013	7.534,69	4.289,91	55.624,48	14.336,04	1.289,90	435,67	106,98	716,38	84.365,55

5.9 Advances for assets' acquisition

- (a) The advances for acquisition of assets relate to advances given to Airbus for the purchase by the Company of aircrafts
- (b) The advances for investing activities relate to advance given to Marfin Investment Group for the acquisition of 100% of the share capital of Olympic Air .

5.10 Financial Derivatives

(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 2013, the Company had entered into forward contracts to hedge its expected needs in US dollars for about 47% on average of these expected needs for the periods 2013-2014.

The financial derivatives contracts' nominal amount as at 30.06.2013 was US\$ 234.000,00 thousand and is analyzed as follows:

Maturity of contracts	Nominal amount in thousand USD
2013	66.000,00
2014	168.000.00
Total	234.000,00

(b) Jet fuel swaps (commodity swaps)

On 30 June 2013, the Company had signed forward contracts to buy jet fuel (commodity swaps) of total quantity of 88 thousand metric tons which account for 32% approximately of the projected fuel needs for the remaining period of 2013-2014. 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 30.06.2013 was US\$ 83.454,00 thousand.

(c) Interest rate swaps

On 30 June 2013, the Company had in place interest rate swap contracts (IRSs) as hedging instruments for cash flow hedging resulting from liabilities at a variable interest rate, for 48% of the total finance leases capital.

The nominal amount of the open interest rate swaps on 30 June 2013 was € 31.781,95 thousand (effective until 22/04/2020).

5.11 Customer and other receivables

The Company's receivables are analyzed as follows:

	30/06/2013	31/12/2012
Domestic customers	8.984,73	7.458,07
Foreign customers	3.374,05	3.430,60
Greek State	1.533,21	1.844,44

Other miscellaneous debtors	58.015,54	31.986,43
Accrued income receivable	1.214,43	613,86
Advances to suppliers	2.927,91	1.756,22
Total	76.049,86	47.089,63

“Other miscellaneous debtors” balance refers to receivables from ticket sales through travel agencies members of IATA in Greece or abroad and tickets sold from/to other airlines.

5.12 Revenue

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

The revenue is analyzed per type as follows:

	30/6/2013	30/6/2012
Scheduled flights revenue	233.309,64	191.356,88
Charter flights revenue	26.294,93	22.355,31
Other operating revenue	19.009,65	15.175,24
Total	278.614,22	228.887,43

5.13 Financial income/expenses

The financial income/expenses are analyzed as follows:

	30/6/2013	30/6/2012
Interest and expenses from long term liabilities	705,01	451,58
Interest and expenses from short term liabilities	0,00	650,25
Letters of Guarantee commissions	552,13	572,69
Financial leases interest	322,51	424,53
Foreign exchange losses	3.448,05	3.837,98
Other financial expenses	168,92	238,79
Total	5.196,62	6.175,81
Other interest income	1.777,65	1.160,79
Foreign exchange gains	2.811,40	1.983,58
Total	4.589,05	3.144,36

5.14 Financial Assets

This balance relates to a portion of the Company’s cash invested to corporate bonds of total face value € 15.330,00 thousand.

	30/06/2013	31/12/2012
Available for sale financial assets	15.740,54	6.784,37

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 operating leases' obligations arise mainly from leased aircraft and spare engines.

The minimum future lease payments are analyzed below:

	30/6/2013	30/6/2012
	in thousand €	in thousand €
Up to 1 year	59.430,24	66.045,50
Between 1 and 5 years	150.705,28	175.855,90
More than 5 years	72.201,59	102.093,99
Total	282.337,13	343.995,38

(b) Capital commitments

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

- 2015 2 aircraft type A320
- 2016 3 aircraft type A320

(c) Finance leases

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

Future payments	30/6/2013	30/6/2012
Up to 1 year	8.518,23	8.861,84
Between 1 and 5 years	35.920,29	36.835,07
More than 5 years	25.646,70	36.423,43
Total	70.085,22	82.120,34
Financial cost	3.922,76	5.381,13
Present value of minimum future payments		
Up to 1 year	7.902,06	8.052,49
Between 1 and 5 years	33.790,55	34.099,26
More than 5 years	24.469,85	34.587,45
Total	66.162,46	76.739,20

5.17 Provisions

(a) Tax unaudited periods

The Company is not tax audited for the financial years from 2007 till 2010. On 14/05/2013 a tax audit has started and is still ongoing for the periods 2007 till 2011.

The accumulated amount provisioned for tax unaudited periods is € 1.400 thousand.

For 2011 the company has been audited based on POL 1159/2011 by a statutory auditor. 2012 financial year has been audited in the same way.

(c) Maintenance reserves

The accumulated amount the Company provisioned for future aircraft maintenance (maintenance reserves) at 31.12.2012 was € 29.129,25 thousand. The net change (increase) in the maintenance reserves during the first half of 2013 was € 954,45 thousand bringing the aircraft maintenance reserves on 30.06.2013 at € 30.083,70 thousand.

5.18 Income tax

Income tax is analyzed below:

	30/6/2013	30/6/2012
Profit/(losses) before taxes	15.909,15	(48.004,96)
	26%	20%
Tax estimated on existing tax coefficient basis	(4.136,38)	9.600,99
Tax on expenses not deductible for tax purposes	(312,00)	(119,16)
Impact from change of tax coefficient	5.017,47	0,00
Income tax	569,09	9.481,83

5.19 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 31.12.2012 and are 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 booked.

(b) Contingent assets

There are contingent assets that they have not changed from 31.12.2012 and it is not expected to have a material effect in the financial position or the operation of the Company.

5.20 Loans

In the current period a total amount of 12.710,39 euros of short term loans have been repaid and another € 3.941,14 thousand relating to liabilities from financial leases were repaid.

5.21 Related parties transactions

	30/06/2013	30/06/2012
Receivables (from sale of goods- services)	73,81	58,16
Payables (from purchase of goods- services)	197,09	169,58
Income – Services provided from the Company	103,68	133,85
Expenses – Services the Company received	792,31	792,54

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

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

5.22 Transactions with directors and Board of Directors members

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

	30/06/2013	30/06/2012

- Compensation of BoD members	600,00	553,34
- Directors' salaries	722,62	726,02
- Social insurance costs of directors	92,42	47,95
- Services / other benefits offered to directors	111,36	116,41
Total	1.526,40	1.443,72
- Liabilities to directors and BoD members	422,16	394,28

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

5.23 Other events

- (a) On 22/10/2012 Aegean Airlines has signed an agreement with Marfin Investment Group for the acquisition of 100% of Olympic Air. Following the completion of the transaction, Olympic Air will become a subsidiary of Aegean Airlines S.A. The transaction and its relevant completion timeframe are conditional upon the approval of the European Competition Commission. The consideration of 100% of Olympic Air has been set at 72 million euros in cash to be paid in installment. The amount of 20 million euros has already been advanced as a first payment and the remainder would be payable in 5 equal installments, the first at execution and the next 4 at the annual anniversaries of execution over the next 4 years.
- (b)
- (c) According to the new tax legislation (valid from the beginning of 2013), tax on dividends has been reduced from 25% to 10% for profits that will be distributed based on General Assemblies resolutions after 01.01.2014.

5.24 Assets & Liabilities accounted in fair value

Assets / (Liabilities)	Fair Value 30.06.2013	Hierarchy level	Measurement
Forward contracts in USD	933,77	2	Technical valuation
Jet fuel commodity swaps	(1.906,14)	2	Technical valuation
Interest rate swaps	(1.884,40)	2	Technical valuation
Bonds (commercial portfolio)	15.740,53	1	Published price

5.25 Other information

The Interim Financial Statements for the first half of 2013 have been approved by the Board of Directors of "Aegean Airlines S.A." on 30.08.2013 and are posted on the Company's website (www.aegeanair.com) for investors' reference, where they will remain for at least 5 years after their compilation and public announcement date.

Kifissia, 30 August 2013

Chairman	Chief Executive Officer	Chief Financial Officer	Chief Accountant
Theodore Vasilakis I.D. no. Ε458197	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 01.01.2013 – 30.06.2013

AEGEAN A STAR ALLIANCE MEMBER		COMPANY INFORMATION :		Certified Auditor Accountant	
		Address of head offices : Viltanioti 31, 145 64		: Zacharioudakis Michalis	
		Kifisia		S.O.E.L. Reg. no.: 13191	
		Societe Anonyme Reg. No. : 32603/06/B/95/3		Accounting Firm : ENEL S.A.	
		Board of Directors Financial Statements Approval Date : 30 August 2013		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 2013 TO 30 JUNE 2013 (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, where this is required, are posted. (Amounts in thousand €)					
FINANCIAL POSITION			STATEMENT OF COMPREHENSIVE INCOME		
	30/6/2013	31/12/2012		01/01-30/6/2013	01/01-30/6/2012
ASSETS				1/4-30/6/2013	1/4-30/6/2012
Tangible assets	84.365,55	89.240,61	Revenue	278.614,20	228.887,42
Intangible assets	27.235,00	26.791,31	Operating profit / (loss)	30.403,71	(30.286,46)
Other non current assets	66.323,74	65.736,20	Profit / (loss) before tax, financing and investing results	16.516,72	(45.326,96)
Inventories	5.614,74	5.331,19	Profit / (loss) before tax	15.909,15	(48.004,96)
Customers and other trade receivables	76.049,86	47.089,63	Income tax	569,09	9.481,83
Other current assets	230.657,54	162.680,10	Profit / (loss) after tax (a)	16.478,24	(38.523,14)
TOTAL ASSETS	490.246,44	396.869,03	Other Total Comprehensive Income / (expense) (b)	(217,48)	(428,14)
			Total Comprehensive Income (c) = (a)+(b)	16.260,76	(38.951,28)
EQUITY AND LIABILITIES			Basic (after taxes) earnings per share in €	0,2307	(0,5394)
Share capital	46.421,11	46.421,11	Profit / (loss) before tax, financing, investing results and depreciation	21.987,93	(39.500,10)
Additional paid-in capital and reserves	124.210,05	107.949,28			
Total shareholders' equity (a)	170.631,16	154.370,39	STATEMENT OF CHANGES IN EQUITY		
Provisions and other long term liabilities	97.105,09	8.340,00		30/6/2013	30/6/2012
Short term bank loans	0,00	99.967,42	Equity balance at the year's beginning (1.1.2013 & 1.1.2012 respectively)	154.370,39	169.318,94
Other short term liabilities	222.510,19	4.370,39	Effect due to change of accounting policy (IFRS 19)	0,00	1.529,38
Total liabilities (b)	319.615,28	129.820,83	Total comprehensive income after tax	16.260,76	(38.951,28)
EQUITY AND LIABILITIES (c) = (a) + (b)	490.246,44	242.498,64	Balance as of end of period (30.06.2013 & 30.06.2012 respectively)	170.631,14	131.897,04
CASHFLOW STATEMENT			ADDITIONAL DATA & INFORMATION		
	30/6/2013	30/6/2012	1. The Company hasn't been audited by the tax authorities up for the fiscal years 2007 to 2012. For the non tax audited periods there is a cumulative provision of €1.400 thousand		
Operating activities			2. Apart from the above provision, the Company has made an additional provision of €30.083,70 thousand related to future obligations for the maintenance of its aircraft (See Note 5.17b of the Interim Financial Statements).		
Profit / (loss) before taxes	15.909,15	(48.004,96)	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.		
Plus / less adjustments for:			4. The total number of employees as at 30/06/2013 was 1.574 and as at 30/06/2012 was 1.701		
Depreciation	5.469,74	5.826,86	5. The company does not hold own shares at the end of the current period.		
Provisions	379,68	2.604,45	6. On 22/10/2012 Aegean Airlines has signed an agreement with Marfin Investment Group for the acquisition of 100% of Olympic Air. Following the completion of the transaction, Olympic Air will become a subsidiary of Aegean Airlines S.A.		
Foreign exchange differences	510,49	1.500,96	7. The transaction and its relevant completion timeframe are conditional upon the approval of the European Competition Commission. The consideration of 100% of Olympic Air has been set at 72 million euros in cash to be paid in installment. The amount of 20 million euros has already been advanced as a first payment and the remainder would be payable in 5 equal instalments, the first at execution and the next 4 at the annual anniversaries of execution over the next 4 years. (See note 5.23a of the interim financial statements)		
(Profit) / loss from investing activities	(1.775,67)	(1.160,79)	8. According to I.A.S. 24, related party transactions for 1H 2013 and receivables/payables balances as at 30.06.2013 are analyzed below.		
Finance Cost	1.748,57	2.337,83	Amounts in thousand €		
Cash flows from operating activities before changes in working capital			a) Revenue	103,68	
(Increase) / Decrease in inventories	(283,54)	383,98	b) Expenses	792,31	
(Increase) / Decrease in trade & other receivables	(27.484,02)	(954,36)	c) Receivables - Deposits	73,81	
(Increase) / Decrease in derivative receivables	22,81	(342,14)	d) Payables	197,09	
Increase / (Decrease) in payables (other than banks)	92.244,02	62.463,44	e) Managements' and Board of Directors' remuneration	1.526,40	
Increase / (Decrease) in derivatives liabilities	179,76	402,49	f) Payables to Management and Board of Directors	422,16	
Interest expenses paid	(1.633,07)	(1.754,60)	g) Receivables from Management and Board of Directors	0,00	
Net cash flows from operating activities (a)	85.287,90	23.303,17	9. The statement of total income are analyzed as follows :		
Investing Activities			Amounts in thousand €		
Purchases of assets	(1.043,63)	(784,70)	(a) Transferred in income statement :	30/6/2013	30/6/2012
Proceeds from sale of tangible & intangible assets	1,83	37,04	Profit / (loss) for the period	(420,04)	(301,76)
Purchases of corporate bonds	(8.830,00)	-	Available for sale financial assets	126,16	
Interest and other financial income received	1.143,77	3.526,04	Income tax	76,40	
Net cash flows from investing activities (b)	(8.728,05)	2.778,37	total (a)	(217,48)	(241,41)
Financing Activities			(b) Non transferred in income statement		
Loans' repayments	(12.710,39)	(5.024,95)	Profit / (loss) for the employee retirement benefits	0,00	(233,42)
Changes in finance lease capital	(3.941,14)	(3.848,33)	Deferred tax	0,00	46,69
Net cash flows from financing activities (c)	(16.651,53)	(8.873,28)	total (b)	0,00	(186,73)
Net increase / (decrease) in cash and cash equivalents (a)+(b)+(c)	59.908,32	166.800,94	Other comprehensive income for the period after taxes	(217,48)	(428,14)
Cash and cash equivalents at the beginning of the period	149.299,77	14.540,89			
Cash and cash equivalents at the end of the period	209.208,09	181.341,83			
Kifisia, August 30th 2013					
Chairman of BoD		Chief Executive Officer		Chief Financial Officer	
Theodoros Vassilakis		Dimitrios Gerogiannis		Michael Kouvelidis	
				Head of Accounting dept	
				Maria Zannaki	