AEGEAN AIRLINES S.A.

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

Annual Financial Report
for the period
(1st January to 31st December 2013)

In accordance to art. 4 of Law 3556/2007 and the Board of Directors' Resolutions of the Hellenic Capital Market Commission

AEGEAN AIRLINES S.A. amounts in thousand €

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A. Statements of the Board of Directors' Members (in accordance to art. 4 paragraph 2 of Law 3556/2007)

It is hereby stated that, to the best of our knowledge the Annual Financial statements of "Aegean Airlines S.A." for the period 1 January 2013 to 31 December 2013 which were prepared in accordance to the International Financial Reporting Standards, they truly reflect all Assets, Liabilities and Shareholders' Equity along with the Income Statement of the Company as well as of the companies included in the consolidation considered as a total.

It is also declared that, to the best of our knowledge the Board of Directors' Annual Report truly reflects the business developments, the performance and the position of the Company as well as of the companies included in the consolidation considered as a total including the key risks and prospects it's facing.

Kifissia, February 27th 2014

The undersigned

Theodore Vassilakis	Dimitrios Gerogiannis	Eftichios Vassilakis
Chairman of the BoD	Chief Executive Officer	Vice Chairman of the BoD

B. ANNUAL REPORT OF THE BOARD OF DIRECTORS
of the company "AEGEAN AIRLINES S.A."
for the period 1 January 2013 to 31 December 2013

This report was compiled in accordance to Law 2190/1920 article 43a, Law 3556/2007 article 4 and the Hellenic's Capital Market Board of Directors' resolutions and contains financial and other information of the company "AEGEAN AIRLINES S.A.". It aims to provide an overview to the shareholders and investors of the Company's general course, financial position and results for the period (01/01/2013 – 31/12/2013) as well as highlight major events that incurred during the period and their impact on the annual financial statements. There is also a description of the main risks and uncertainties which the Company is currently facing or may face in the foreseeable future and finally disclosure of material transactions between the Company and related parties.

- **Financial review, business developments and major events for the year 2013.**

2013 was a particularly positive year for tourism in Greece, something which led international passenger traffic to higher levels. Based on the provisional data of the Association of Greek Tourism Enterprises, international tourist arrivals in major Greek Airports in 2013 where about 10.8 % higher than in 2012.

Domestic passenger traffic, which depends more on Greek consumers, decreased further by 3% compared to 2012. Compared to 2007, domestic passenger traffic has retracted by 24% as a result of the recession. 2013 was the sixth consecutive year of recession for the Greek economy, with the cumulative losses of GDP in Q4 2013 surpassing 25% from Q4 2007. At the same time, unemployment rate reached 28% in November 2013.

Total passenger traffic to and from the country increased by 7% in 2013, with 85% being international traffic and only 15% domestic traffic. The rise in inbound tourism has mainly benefited the regional airports, most of which performed better in terms of passenger traffic than in 2012. This was not the case though for Athens International Airport, where international traffic was 2.4% lower and total traffic fell by 3.2%. It has to be noted though, that non-resident arrivals increased by 3% in 2013 and 5% in the second semester compared to 2012, for first time after 5 years of retraction.

In 2013 Aegean continued to invest in its international network, adding capacity released from domestic routes because of the lower demand. Both, the sharp rise in inbound tourism and the competitors reduced capacity helped the Company improve its operating results.

The average load factor rate increased to 79% in 2013 from 74% in 2012. It is important to mention that between 2011 and 2013 the Company's load factor increased by 10%, leading eventually to profitability. As a result international passengers traffic increased by 14 %. The net change for the Company was significantly higher than that of the market in most of airports that it maintains a base. The Company achieved an increase of 11% in Athens, 13% in Thessaloniki, 26% in Heraklion, while in Rhodes the growth was 40%. Positive growth rates have been also achieved in the smaller seasonal bases of the company (Corfu, Kos and Kalamata). The only exception was the Larnaca base, which had reduced traffic as a result of the negative developments in Cyprus during 2013.

In October 2013 the acquisition of 100% of the shares of Olympic Air was completed which now is a subsidiary of Aegean. The transaction was subject to the approval by the European Competition Commission, which was given on 9 October 2013. The two airlines will retain their brand names and trademarks as well as distinct flight operations, fleet and flying staff, while administrative services have already begun to be consolidated since the end of 2013. The strategic goal of the deal is to achieve synergies and economies of scale, by eliminating the use of parallel systems, by lowering facilities costs and by enhancing network connectivity, thus setting the course for gradual expansion of the network from both Athens, regional airports, and new airports bases.

The Company's key financial and operational data of the year 2013 were:

- Total Available Seat Kilometers (ASKs) have increased by 7%.

- Total number of passengers in 2013 was 6.85 million, an increase of 12% compared with 2012.

- Total offered capacity was 8.93m seats, increased by 3% compared to 2012

- Average load factor rate increased to 79% in 2013 from 74% in 2012

- Total sales for 2013 amounted to € 682.7 million from € 562.9 million in 2012, representing an increase of 21%.

- Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) rose significantly to € 94.2 million from € 2.9 million in 2012.

- Earnings Before Taxes (EBT) rose to a profit of € 83,6 million from a loss of € 12.6 million the previous year.

- Net cash flow from operating activities showed a significant improvement, with 2013 closing with net inflows of € 111,1 million compared to inflows of € 17.4 million at the end of 2012.

- The Company maintained a healthy capital structure with zero debt and liabilities from financial leasing contracts amounting to € 59.1 million, while the total of cash and cash equivalents (€ 221.5 million) and investments in corporate bonds (€ 17.3m) amounted in € 238.8m.

- The Company's fleet numbered 30 aircraft 31/12/2013

Finally it should be noted that the tax audit of the Company for the fiscal years 2007, 2008, 2009, 2010 and 2011 has been completed. The Company had made provisions of € 1.4 million for the indicated periods, while additional taxes and surcharges amounted € 2.4 million. The difference does not affect the fiscal year 2013 as the Company has appealed to the committee of Article 70B of Law 2238/1994, disputing significant amounts of the above mentioned taxes & surcharges.

The results of Olympic Air were consolidated for the last two months of the year, after the completion of the acquisition. The consolidated turnover of the Group including only the last two months of 2013 for Olympic Air was € 698.9 million and net profit after tax was € 57.8 million.

The cumulative passenger traffic of the two companies in 2013 amounted to 8.8 million passengers, of which 4.3 million passengers traveled in the international network. The passenger kilometers of both companies amounted to 8.4 billion.

- **Prospects**

In 2014, the Company's strategic priority remains in expanding the international network, both from Athens and from the regional airports bases.

At the same time the actions that have been completed in respect of the network consolidation, after completing the acquisition of Olympic Air in late October 2013, are already producing positive results and the consolidation of administrative and other services is progressing as planned with the primary objective of achieving the expected synergies and economies of scale.

With regard to demand, the early indications for 2014 are very positive for the country's tourism, which is expected to lead the non-residents traffic to even higher levels.

On the other hand, the rate of recession of the Greek economy is expected to decline. The weakness, however, in domestic demand remains, but with a tendency to stabilize at current low levels.

AEGEAN A STAR ALLIANCE MEMBER AEGEAN AIRLINES S.A. amounts in thousand €

As far as the competitive environment, the encouraging signs for tourism in the country as well as the positive performance of the previous year have led to significantly increased capacity and new competitors are entering the Domestic Market.

The operational quality and competitiveness of Greek airports remains important for the Company. Given that almost all of the airport bases of the Company are in Greece, modern infrastructure and competitive rates are crucial for its development.

As for the network, the Group currently operates 45 aircraft and in 2014 the fleet will grow to 50 aircraft. The aim is to utilize them to further expand the network, with Athens playing a key role as a hub between the domestic and international routes. Within 2014 the following 12 new international destinations from Athens will be added : Birmingham, Marseille, Nantes, Zurich, Hamburg, Copenhagen, Catania, Abu Dhabi, Beirut, Stockholm, Amman and Izmir.

Regarding the Company's regional bases, there will be also added significantly increased routes, while within the year the eighth Greek company base (after Athens, Thessaloniki, Heraklion, Rhodes, Corfu, Kos, Kalamata) in Chania will begin operations. The majority of the increased regional capacity will be for Heraclion base.

For the PSO destinations, extra capacity is going to be added during the summer months. This additional capacity combined with lower fares and increased international connectivity is expected to improve the PSO routes load factors.

Given the challenges from increased competition from airlines that have proven their effectiveness globally, the Company places a number of priorities:

• Increase in the ancillary revenue per passenger from the distinct charge of additional services such as luggage based on the fare category, hotels and car rentals.
• Further cost reduction, emphasizing in overheads, systems costs (where significant synergies after Olympic acquisition are expected), in distribution, ground handling and aircraft maintenance.
• Continue to benefit from the participation in Star Alliance and the Company's Loyalty program
• Improved flight productivity, both by increased capacity with new light weight seats and with higher load factors.
• Achieving synergies in the Olympic merger both in terms of network and in terms of cost

- **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 index divides the total operating expenses excluding lease costs to total seats available for sale multiplied by the total mileage.

Passenger yield: O 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)	2013	2012
RASK	7,0	6,2
CASK	5,3	5,4

CASK (excluding fuel cost)	3,4	3,4
Passenger yield	8,8	8,2

- **Related Parties' Transactions**

The Company's transactions with related parties during 2013 were on usual commercial terms and they had no substantial fluctuation from the relevant previous period except the transactions with the recently acquired subsidiary OLYMPIC AIR.

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	**Income**	**Expenses**	**Receivables**	**Liabilities**
OLYMPIC AIR S.A.	2.720,45	5.448,91	1.699,63	1.417,27
AUTOHELLAS HERTZ S.A. (cars and property leasing)	351,08	1.671,10	63,27	196,55
TECHNOCAR S.A.	5,66	6,22	6,08	0,00
VACAR S.A.	0,00	4,97	2,30	0,41
VELMAR S.A.	7,90	15,01	16,58	3,72

Finally, the compensation of the Company's directors' and Board of Directors' members for the period 1/1-31/12/2013 was € 4.733,65 thousand, while the relevant amount for the Group was €5.155,62 for the same period and as at 31/12/2013 there were no obligations or receivables towards/from the directors' and the Board of Directors' both for the Company and the Group.

- **Corporate Governance**

I. Principals of Corporate Governance

The company has adopted the Principles of Corporate Governance in compliance with existing Greek legislation and international practices. Corporate Governance establishes a framework of rules, principles and control mechanisms based on which the company conducts its business with transparency, aiming at the protection of the interests of its shareholders as well as general corporate interests.

II. Corporate Governance Code

The Company has voluntarily decided to adopt the Code of Corporate Governance of the Hellenic Federation of Enterprises (SEV) about the Listed Companies (called hereinafter "Code"). This Code is found at SEV website, at the following address:
http://www.sev.org.gr/Uploads/pdf/SEV_CGC_ENG_2011_FINAL%20_MARCH_2011.pdf
The Company may amend from time to time the Code and the Principals of Corporate Governance that is applying.

III. Deviations from the Corporate Governance Code and justification of them.

Role and Responsibilities of the Board of Directors

- The Board of Directors has not established a separate committee, which manages the procedure for candidates seeking election in the Board of Directors and prepares proposals in the Board of Directors concerning the compensation of the members of the Board of Directors given that the policy concerning these compensations is stable and formed.

Size and Composition of the Board

- The 1/3 of the Board of Directors does not consist of independent non-executive members free of conflicts of interest with the company, and of close ties with the Management, the major shareholders or the Company. It consists of 3 executive members, 7 non-executive members and 2 independent non-executive members. With this balance the efficient and productive operation has been ensured during all previous years.

- The Board of Directors does not appoint an independent Vice President, appointed by the independent members, but instead an executive Vice President, as his contribution to the exercise of the executive duties of the President is considered of utmost importance.

Duties and behavior of the members of the Board

- There is no obligation of any disclosure of professional commitments of Board members (including important non-executive commitments to companies and non-profit institutions) before their appointment to the Board, or restriction on the number of Boards of listed companies in which they can participate, as long as all Board members can meet their duties, devote sufficient time to them and keep abreast of developments in the matters relating to their duties.

- The appointment of an executive member to a company that is not affiliated or associated does not require an approval by the Board.

Nomination of candidates for the Board of Directors

- There is no committee for selecting candidates for the Board of Directors, as due to the structure and operation of the Company this committee is not evaluated as necessary at this time.

Operation of the Board

- In the beginning of each calendar year the Board of Directors does not adopt a calendar of meetings and a 12-month programme of action, as the convergence and the meeting of the Board is easy, when the needs of the Company or the law render it necessary, without a predetermined plan of action.

- The President does not meet with the non-executive directors on a regular basis, without the presence of the executive members, to discuss the performance and remuneration of the latter and other related issues, as any matter is discussed in the presence of all members.

- There are no introductory programs in place by the Board for new Board members, or continuing vocational training for other members, as only individuals with proven expertise and management skills are proposed for election as members.

- There is no specific provision for supply of adequate resources to the committees of the Board to fulfill their duties and recruiting external consultants, as the resources are allocated from the Company's management per case, based on individual business needs.

Evaluation of the Board

- There is no institutional procedure to evaluate the effectiveness of the Board and its committees or evaluation of the performance of the Chairman of the Board during which process is headed by the Vice President or other independent non-executive board member in case of absence of an independent Vice-President. This procedure is not considered necessary in view of the organizational structure of the Company.

- Members and non-executive directors do not convene without the presence of executive directors in order to evaluate the performance of the executive members and to establish their wages.

- The Board does not outline in the annual corporate governance statement the evaluation procedure of it and of its committees, as there are no relative evaluation procedures.

Internal Audit

- The Internal Audit office does not report to the Chief Executive Officer. The staff of the Internal Audit and the members of the Audit Committee perform their duties independently and hierarchically do not fall under any other department of the Company. The Head of Internal Audit is supervised by the Audit Committee. The Head of Internal Audit is appointed by the Board of Directors and has all necessary qualifications and experience.
- The Internal Audit provides annual reports, rather than on a quarterly basis, which are reviewed and evaluated by the Audit Committee.

- The Board of Directors does not perform an annual evaluation of the internal audit procedures as the Audit Committee reviews and reports to the Board of Directors on the Internal's Audit Annual Report.

Audit Committee

- The Audit Committee does not convene more than three (3) times per year.

- There is no special or specific rule for the operation of the Audit Committee, as its main duties and authorities are adequately set from the law.

- No specific funds are given to the Audit Committee for the use of external consultants, as the composition of the committee and the specialized knowledge and experience of its members ensure its effective operation.

Remuneration

- In the contracts of the executive members of the Board of Directors there is no provision that the Board of Directors may seek for a partial or full refund of the bonuses paid due to revised financial statements of previous years or generally wrong financial data used to calculate such bonuses.

- There is no compensation committee, comprising exclusively of non-executive members, independent in their majority, which aims at defining the compensation of the executive and non-executive members of the Board of Directors and thus there are no rules for the frequency of its convocations and other issues concerning its operation. The creation of such a committee has not been deemed necessary until now.

- Each executive member's remuneration is not approved by the Board of Directors after compensation committee's recommendations without the executive members being present, given that such compensation committee does not exist. Board's executive members' compensation are determined by the Board of Directors and in accordance to law 2190/1920. The members of the Board of Directors may receive compensation, the amount of which is determined by the Ordinary General Meeting of Shareholders. Remuneration to the members of the Board of Directors is paid by the Company if it is approved by the Ordinary General Meeting of Shareholders.

General Shareholders' Meeting

- Summary of the minutes of the General Meeting of Shareholders is not available on the Company's website. The voting results of any decision of the General Meeting of Shareholders are announced within 15 days as of the end of the General Meeting of Shareholders in both Greek and English.

IV. Description of the main characteristics of the Company's Internal Control and Risk Management systems with respect to financial reporting.

Internal Control

Internal control has been defined as a process effected by an entity's Board, management and other personnel, designed to provide reasonable assurance regarding the effectiveness and efficiency of corporate operations, reliability of financial reporting and compliance with applicable laws and regulations.

Internal control's responsibilities comprise the evaluation and improvement of risk management and internal control systems as well as the confirmation of compliance with the institutional policies and procedures as described in the Internal Operation Regulations of the Company, the existing legislation and regulatory requirements.

Risks and Risk Management

- **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. 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 control its exposure to cash flow risk from interest rate fluctuations relating to its aircraft finance leases.

- **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 certain percentages 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.

- **Liquidity /Cash flow risk**

The prudent management 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.

V. Information regarding the powers and operation of the General Shareholders' Meeting as well as shareholders' rights and ways to exercise them.

Operation of the General Meeting

The Board of Directors ensures that the preparation and the conduct of the General Shareholders' Meeting facilitate the effective exercise of the rights of the shareholders. The shareholders are informed in advance of all the issues that relate to their attendance of the General Shareholder Meeting including the agenda and the rights they have during the course of the General Shareholder Meeting. The Board of Directors uses the General Shareholders' Meeting to facilitate and open discussion between them and the Company.

Specifically, with regards to the preparation of the General Shareholder Meeting and pursuant to the provisions of Law 3884/2010, the Company publicizes on its website at least 20 days prior to the General Shareholder Meeting both in Greek and in English, information relating to:

- The date, time and place of the convocation of the General Shareholder Meeting.
- The basic rules and practices regarding the participation of the shareholders, including the right to introduce topics in the agenda, to make enquiries and the deadline for the exercise of these rights.
- The voting procedure, the terms and conditions for proxy voting and the necessary forms and documents for proxy voting.
- The proposed agenda of the General Shareholder Meeting, including draft resolutions and any other accompanying documents.

- In case of election of Board of Directors members, the list of the proposed persons along with their resumes.
- The total number of shares and voting rights at the time of the convocation of the General Shareholder Meeting.

At least the Chairman of the Board of Directors, and/or the Vice Chairman and the Chief Executive Officer attend the General Shareholders' Meeting and provide shareholders with all necessary information with regard to the items of the agenda and to the questions raised by the shareholders. The Chairman of the General Shareholders' Meeting ensures that adequate time is given to the shareholders to raise any questions they may have.

Powers of the General Meeting

The General Meeting of the shareholders is the supreme body of the Company.
It has the most extensive powers to resolve on the affairs of the Company and its resolutions taken according to law are obligatory for all the shareholders, including those who are absent of disagree.

The General Meeting is vested the exclusive power to resolve on the following matters:

- Any matter submitted to it by the Board or by the persons who are entitled to convene the General Meeting according to law.
- Modification of the Articles of Association, including the cases of increase or decrease of the share capital, dissolution of the Company, prolongation of its duration and amalgamation with another company.
- Election of the Directors of the Company, election of the Auditors of the Company and fixing of their remuneration.
- Approval or modification of the annual financial statements of the Company prepared by the Board and allocation of the net profits.
- Approval of the management of the Board of Directors effected by a nominal call and discharge of the members of the Board and of the auditors from any liability after the approval of the annual financial statements and the report of the Board. The members of the Board and the employees of the Company may participate in the voting only on the basis of the shares held by them.
- The hearing of the auditors with regard the audit of the books and records of the Company performed by them.
- The issuance of bond loans with the right to gain profits in accordance with art.3b of Law 2190/1920 and convertible bond loans.
- The appointment of liquidators in case of dissolution of the Company.
- The filling of actions against the members of the Board of Directors and the auditors for breach of duty in accordance with the applicable laws and the Articles of the Company.

Shareholders' Rights and ways to exercise

Every shareholder that is recorded as such in the records of the custodian of the Company shares is entitled to attend and vote as the General Shareholders' Meeting. For the shareholder to exercise the above rights there is no need to have its shares reserved or to follow a similar procedure. The shareholder may freely authorise for representation another person.

Company's shareholders' rights are analogous to their participation share in the Company's paid share capital. Every share has all rights provided by law 2190/1920 as it has been amended and applies, as well as by the Company's Articles of Association.

The Chairman, the Vice Chairman and the Managing Director are available to meet shareholders with significant share in the Company to discuss eventual governance concerns. In addition, the chairman should ensure that the views of the shareholders are communicated to the whole board.

VI. Information regarding the composition and operation of the Board of Directors

Composition of the Board of Directors

AEGEAN AIRLINES S.A. amounts in thousand €

The Board of Directors, acting collectively, is responsible for the management of the Company's affairs to the benefit of the Company and its shareholders, ensuring the implementation of the corporate strategy and the fair and equal interests of the shareholders. The Board is empowered to decide on all the matters relating to the business affairs of the Company, other than those excluded either by the law or the Articles of Association for the General Shareholders' Meeting to decide.

The members of the Board of Directors are elected by the General Shareholders' Meeting. The General Shareholders' Meeting also decides which members shall be executive, non-executive or independent non-executive.

The Board of Directors of Aegean Airlines S.A. is the custodian of the Principles of Corporate Governance of the Company. The Board of Directors is composed of no less than seven (7) and no more than fifteen (15) members. The members of the Board shall be elected by the General Meeting by a secret vote to serve for a three year period which may be extended until the first annual General Meeting after the expiry of their term of service. Such an extension of time, however, may not exceed four years. The members of the Board of Directors, either shareholders or not, may be always re-elected.

The Board of Directors currently consists of three executive and nine non-executive members, which include two independent non-executive members in accordance to law 3016/2002 for Corporate Governance. Executive members perform the day-to-day management of the Company, whereas non-executive members are not involved in the Company's management.

The table below includes the members of the Board of Directors:

Name	Capacity	Date of appointment (most recent)	End of Term
1. Theodore Vassilakis	Chairman, Executive Member	14/06/2012	30/06/2015
2. Eftichios Vassilakis	Vice Chairman, Executive Member	14/06/2012	30/06/2015
3. Dimitrios Gerogiannis	Managing Director, Executive Member	14/06/2012	30/06/2015
4. Georgios Vassilakis	Non-Executive Member	14/06/2012	30/06/2015
5. Iakovos Georganas	Non-Executive Member	14/06/2012	30/06/2015
6. Anastasios David	Non-Executive Member	14/06/2012	30/06/2015
7. Christos Ioannou	Non-Executive Member	14/06/2012	30/06/2015
8. Achilleas Konstantakopoulos	Non-Executive Member	14/06/2012	30/06/2015
9. Panagiotis Laskaridis	Non-Executive Member	14/06/2012	30/06/2015
10. Alexandros Makridis	Independent non-executive Member	14/06/2012	30/06/2015
11. Nikolaos – Georgios Nanopoulos	Non-executive Member	19/12/2013	30/06/2015
12. Victor Pisante	Independent non-executive Member	14/06/2012	30/06/2015

Note: The Company's Audit Committee consists of members with number 4, 8 and 10 of the list above.

A description of the Chairman's and Chief Executive Officer's duties and responsibilities follows:

Chairman of the Board of Directors

- Sets the daily Agenda, ensures the prompt operation of the Board of Directors, and calls the members of the Board of Directors in meetings which heads.

In his own capacity or after authorization by the Board of Directors, any member by the Board of Directors, staff or lawyer of the Company may:

- Represent the Company in courts or out of courts
- Represent the Company against any authority
- In the case of obvious danger, without a decision by the Board of Directors, raise or defend against legal claims and proceedings, assign plenipotentiaries and proceed to court or out of court actions to defend the interests of the Company. These actions are submitted to the Board of Directors for approval.
- Assume all responsibilities assigned by the Board of Directors and sign contracts on behalf of the Company according to the relevant authorisations given by the Board of Directors.

Chief Executive Officer

Chief Executive Officer is responsible for the implementation of the Company's strategic targets and its day to day management. He is responsible for the smooth, proper and effective operation of the Company according to its strategic targets, business plans and action guidelines as they are determined by the decisions of the Board of Directors and the General Shareholders' Meeting.

The Chief Executive Officer is reported to the Company's Board of Directors. He provides guidance on strategic actions and validates the important decisions of the Company. He is the Head of all Company's divisions and amongst others he is responsible for:

a) Strategy:

- Strategic decision making with respect to business strategy development, as well as significant investments.
- Defining the Company's organisational plans.
- Ensuring the implementation of the Company's decisions and informing the Board of Directors regarding Company's matters.

b) Executive Guidance:

- The coordination and supervision of the top management and ensure their effectiveness for the Company's smooth operation.
- Deciding or participating in the decision process of major business decisions
- Defining the risk management policies, risk assessment and application of actions and procedures for their effective management.

c) Performance Management:

- Defining budget's targets as well as determining annual performance targets. Effectuating the annual budget targets.
- Supervision of the financial management of the Company.
- Ensuring the procedures to meet targets and reach results.

d) Human Resources Development:

- Recruiting and providing guidance to the leading officers of the Company.
- Defining performance evaluation guidelines, as well as being responsible for the promotion, development and remuneration policy of the Company's officers.

Chief Executive Officer is responsible for the coordination of the Company's business units and making proposals to the Board of Directors regarding matters within its power.

Meetings of the Board of Directors

The Board of Directors convenes in the Company's registered office or elsewhere in Greece or abroad, anytime the law, the Articles of Association or the business developments require so, on the date and time appointed by the President or the Vice-President, or if requested so in writing by at least two of its Board members. The meeting of the Board may be in the form of a teleconference in accordance with the provisions of art.20 para.3 of Codified Law 2190/1920 observing the minimum technical security specifications provided by law for the validity of the meeting.

The Chairman of the Board of Directors sets the daily agenda and calls the members of the Board of Directors in meetings which heads. The Board of Directors may decide, by an absolute majority vote of the members who are personally present or represented, to assign fully or in part the exercise of its rights and powers which are related to the management, administration and representation of the Company to one or more persons irrespectively whether they are members of the Board or not. The title and authorization of those persons shall be determined each time by the Board's decision on their assignment.

A quorum shall be established if the half of the number of the Directors plus one are present or represented in the meetings of the Board, in no case however the number of the Directors who are personally present may be less than three (3). For the purposes of determining the quorum any fraction shall be omitted.

The Board of Directors shall validly resolve by an absolute majority vote of the members who are personally present or represented except for the cases where a special majority is required. In case of equality of votes if the voting is effected by a show of hands it shall be repeated; if it is secret, the making of a resolution shall be adjourned. In case of personal matters, the Board shall decide by secret vote with ballots. Each member shall have one vote; if he represents an absent colleague, he shall have two votes. Director who is absent for any reason may be represented by another Director duly appointed by a letter, telex, telegram or fax addressed to the Board of Directors. In no case a member of the Board can represent more than one Director.

VII. Information regarding the composition and operation of the Audit Committee

According to article 37 of Law 3693/2008 every listed company in the Athens Stock Exchange ("of public interest" according to the law) is obliged to have an "Audit Committee" consisting of 3 Board of Directors' members. Two of them must be non-executive members and the other one a non-executive independent member.

The Company's Audit Committee consists of the following Board of Directors' members:

- Mr. Alexandros Makrides – independent non-executive member (Chairman of Audit Committee)
- Mr. Achilleas Constantakopoulos - non executive member (Member of Audit Committee)
- Mr. Georgios Vassilakis - non executive member (Member of Audit Committee)

The term of the Audit Committee is three years. Renewal of the term or modification of the Committee's members' composition is always subject to decision by the Board of Directors.

The Audit Committee monitors and supervises the performance of internal audit by the Internal Audit department. It convenes on a regular basis where the gathered audits' findings of the Internal Audit department are evaluated and utilized.

The Audit Committee convenes upon request by its Chairman or in case of his absence or inconvenience by his representative who is authorized to perform the Chairman's duties. The Audit Committee shall validly resolve by an absolute majority vote of its members and in the case of equal voting the Chairman's vote supersedes.

- **EXPLANATORY REPORT OF THE BOARD OF DIRECTORS (article 4, paragraph 7 & 8 of Law 3556/2007)**

1. Structure of the Company's share capital
The Company's share capital amounts to forty six million four hundred twenty one thousand and one hundred fifteen euros (€ 46,421,115), divided into seventy one million four hundred seventeen thousand and one hundred common voting registered shares (71,417,100 shares), of par value of sixty five euro cents each (€ 0.65). All the shares are registered and listed for trading in the Securities Market of the Athens Exchange under the "Large Cap" classification.

2. Limits on transfer of Company shares
There are no restrictions set by the Company's Articles of Association regarding the transfer of shares.

3. Significant direct or indirect holdings in accordance with the provisions of articles 9 – 11 of Law 3556/2007
As at 31.12.2013 the following investors held more than 5% of the Company's voting rights: Theodore Vassilakis 39.80% (29.23% through Evetrans and 10.57% through Autohellas SA), Alnesco Enterprices Company Limited 9.62%, Siana Enterprices Company Limited 9.62% and Achilleas Constantakopoulos 5.77%.

4. Shares conferring special control rights
There are no Company shares that carry any special rights of control.

5. Limitations on voting rights
The Articles of Association make no provision for any limitations on voting rights.

6. Shareholder agreements which result to limitations in the transfer of shares or limitations to exercise voting rights
The Company is not aware of any Shareholder agreements which result to limitations in the transfer of shares or limitations to exercise voting rights.

7. Rules governing the appointment and replacement of members of the Board of Directors and the amendment of the Articles of Association
The members of the Board of Directors are elected from the General Shareholders' Meeting, through a secret voting procedure, for a three year term extended up to the Annual General Shareholders' Meeting due in the term's final year. The members may be shareholders or non-shareholders and can be re-elected.
Replacement of a member can be authorised by at least 3 other members and is subject to the approval of the next General Shareholders' Meeting.
The Board may consist of seven (7) up to fifteen (15) members.

8. Authority delegated to the BoD or certain members of the Board for the issue of new shares or acquisition of own shares
According to the provisions of article 13 par. 1 item b) of C.L. 2190/1920 and the article 5 of the Articles of Association, the Company's Board of Directors has the right, following a relevant decision by the General Shareholder's Meeting that is subject to the publicity announcements of article 7b of C.L. 2190/1920, to increase the Company's share capital with the issuance of new shares, through a decision by the Board of Directors that is made with a majority of at least two thirds (2/3) of its total members. In this case, Company's share capital may be increased by no more than the share capital amount paid up on the date when the Board of Directors was granted such power by the General Meeting. This power of the Board of Directors may be renewed by the General Meeting for a period that may not exceed five year per instance of renewal.

9. Important agreements which are entered in force, amended or terminated in the event of change in the control of the Company following a public offer
There are no agreements which enter into force, are amended or terminated in the event of change in the control of the Company following a public offer.

10. Agreements that the Company has entered into with Board members or employees regarding compensation payments in the case of resignation, dismissal without valid reason and termination of their office period or employment as a result of a public offering.
The Company has no significant agreements with members of the Board of Directors or its employees providing for the payment of compensation, especially in the case of resignation or dismissal without valid reason or termination of their period of office or employment due to a public offer.

11. Location
The Company has established presence in 39 locations both in Greece and abroad for the provision of its services.

The Ordinary General Shareholders Meeting on 18.06.2013 has decided the following:

1. Approval of the Annual Report of the Board of Directors' and the Independent's Auditor report on the Financial Statements and developments for the period 2012 (01.01.2012 – 31.12.2012) and the Financial Statements for the period 2012 (01.01.2012 – 31.12.2012)
2. The members of the Board of Directors and the Auditors of the Company were discharged from any responsibility regarding their actions for the period ended at 31.12.2012.

3. Elected as the Company's external chief Auditor Mr. Michail Zacharioudakis (A.M. S.O.E.L. 13191) and substitute Auditor Mr. Dimitrios Drosos (A.M. S.O.E.L. 31371), of the audit firm "ENEL AUDITING S.A.", for the period 2013 and approved their fees.
4. The remuneration of the executive members of the Board of Directors, for their services to the Company for the period 2012 (01.01.2012 – 31.12.2012), was approved. Also their remuneration for the period 2013 (1.01.2013–31.12.2013) was preapproved.
5. The amendment of Article 2 of the Articles of Association relating to the Company's purpose and the codification of the Statute with the incorporation of the above modification to the existing text, which otherwise remains unchanged in a single text

Kifissia, February 27th 2014

Aegean Airlines
Chief Executive Officer

Dimitrios Gerogiannis

AEGEAN AIRLINES S.A. amounts in thousand €

C. INDEPENDENT AUDITOR'S REPORT

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

Report on separate and consolidated Financial Statements

We have audited the accompanying financial statements (separate and consolidated) of Aegean Airlines S.A., which comprise the statement of financial position as at December 31, 2013, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, both the company's and the consolidated financial statements present fairly, in all material respects, the financial position of Aegean Airlines S.A. and its subsidiary as at December 31, 2013 and their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards.

Report on Other Legal and Regulatory Requirements

a) The Report of the Board of Directors includes a statement of corporate governance, which provides the information specified in paragraph 3d of article 43a of C.L. 2190/1920.

b) We verified that the content of the Board of Directors' Report is consistent and correspond with the accompanying Financial Statements within the scope set by articles 43a, 107 and 37, of C.L. 2190/1920.

Athens, February 28th 2014

ECOVIS S.A.	Certified Accountant
Reg.Number 155	
9-11 Ethnikis Antistaseos Str.	Zacharioudakis Michail
Chalandri Athens Greece	Reg.Number 13191

D. ANNUAL FINANCIAL STATEMENTS
FOR THE PERIOD
1 JANUARY 2012 TO 31 December 2013
(amounts in thousand euros)

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AEGEAN AIRLINES S.A. amounts in thousand €

1.1 Financial Position of the Company as at 31.12.2013

	Note	31/12/2013	31/12/2012	01/01/2012
ASSETS				
Non current assets				
Intangible assets	5.23	27.056,49	26.791,31	27.176,57
Tangible assets	5.24	78.768,50	89.240,61	98.944,87
Advances for assets acquisition	5.25	21.135,44	20.094,94	20.109,34
Advances for investing activities		0,00	20.000,00	0,00
Investments in subsidiaries	5.60	62.416,56	0,00	0,00
Deferred tax assets	5.26	10.370,92	16.384,50	12.767,19
Other long term assets	5.27	9.499,79	9.256,75	9.245,74
Hedging derivatives	5.45	113,88	0,00	2.514,07
Total non current assets		**209.361,59**	**181.768,12**	**170.757,78**
Current assets				
Inventories	5.28	5.961,65	5.331,19	5.975,14
Customers and other receivables	5.29	49.632,02	47.089,63	52.425,11
Advances	5.30	3.205,40	4.450,02	11.730,93
Financial assets at fair value	5.31	17.296,46	6.784,37	5.460,00
Hedging derivatives	5.45	2.146,32	2.145,93	4.957,17
Cash and cash equivalents	5.32	221.547,42	149.299,77	166.800,94
Total current assets		**299.789,26**	**215.100,91**	**247.349,28**
TOTAL ASSETS		**509.150,84**	**396.869,03**	**418.107,06**
EQUITY				
Share capital	5.33	46.421,11	46.421,11	46.421,11
Share premium account	5.34	144.774,41	144.774,41	144.774,41
Other reserves	5.35	1.873,02	1.040,40	6.648,40
Retained profit / (loss)		28.380,33	(37.865,53)	(26.995,59)
Total equity		**221.448,86**	**154.370,39**	**170.848,32**
LIABILITIES				
Long term liabilities				
Finance lease contracts liabilities	5.37	51.492,13	61.661,38	70.751,86
Long term liabilities	5.36	0,00	8.340,00	0,00
Derivative contracts liabilities	5.45	1.696,74	2.823,21	2.771,67
Provisions for retirement benefits obligations	5.38	7.158,36	6.353,57	5.602,20
Provisions	5.40b	25.475,12	29.129,25	30.383,42
Other long term liabilities	5.41	30.441,87	0,00	0,00
Total long term liabilities		**116.264,22**	**108.307,42**	**109.509,15**
Short term liabilities				
Suppliers	5.39	40.421,51	48.469,67	41.190,52
Long term loan liabilities payable next year	5.36	0,00	4.370,39	0
Short term loan liabilities		0,00	0	20.024,92
Long term finance leases liabilities payable next year	5.37	7.556,89	7.753,91	7.699,80
Other short term liabilities	5.42	56.494,25	29.132,69	30.013,55
Liabilities from tickets sold but not flown	5.43	33.300,51	26.197,28	22.160,70
Accrued expenses	5.44	18.489,64	12.183,08	15.133,81
Hedging derivatives	5.45	3.557,11	1.759,43	126,29
Current tax income	5.51	10.217,88	0	0
Provisions	5.40a	1.400,00	4.324,77	1.400,00
Total short term liabilities		**171.437,80**	**134.191,22**	**137.749,59**
Total liabilities		**287.702,02**	**242.498,64**	**247.258,74**
TOTAL EQUITY AND LIABILITIES		**509.150,84**	**396.869,03**	**418.107,06**

AEGEAN AIRLINES S.A. amounts in thousand €

1.2 Financial Position of the Group as at 31.12.2013

	Note	31/12/2013	31/12/2012	01/01/2012
ASSETS				
Non current assets				
Intangible assets	5.23	56.387,44	26.791,31	27.176,57
Investment Goodwill	5.60	27.306,30	0,00	0,00
Tangible assets	5.24	81.004,81	89.240,61	98.944,87
Advances for assets acquisition	5.25	21.135,44	20.094,94	20.109,34
Advances for investing activities		0,00	20.000,00	0,00
Deferred tax assets	5.26	20.355,28	16.384,50	12.767,19
Other long term assets	5.27	15.909,09	9.256,75	9.245,74
Hedging derivatives	5.45	113,88	0,00	2.514,07
Total non current assets		**222.212,25**	**181.768,12**	**170.757,78**
Current assets				
Inventories	5.28	10.951,28	5.331,19	5.975,14
Customers and other receivables	5.29	76.944,55	47.089,63	52.425,11
Advances	5.30	4.928,33	4.450,02	11.730,93
Financial assets at fair value	5.31	17.296,46	6.784,37	5.460,00
Hedging derivatives	5.45	2.146,32	2.145,93	4.957,17
Cash and cash equivalents	5.32	226.876,98	149.299,77	166.800,94
Total current assets		**339.143,91**	**215.100,91**	**247.349,28**
TOTAL ASSETS		**561.356,15**	**396.869,03**	**418.107,06**
EQUITY				
Share capital	5.33	46.421,11	46.421,11	46.421,11
Share premium account	5.34	144.774,41	144.774,41	144.774,41
Other reserves	5.35	1.873,02	1.040,40	6.648,40
Retained profit / (loss)		19.808,72	(37.865,53)	(26.995,59)
Total equity		**212.877,24**	**154.370,39**	**170.848,32**
LIABILITIES				
Long term liabilities				
Finance lease contracts liabilities	5.37	51.492,13	61.661,38	70.751,86
Long term liabilities	5.36	0,00	8.340,00	0,00
Derivative contracts liabilities	5.45	1.696,74	2.823,21	2.771,67
Provisions for retirement benefits obligations	5.38	7.508,50	6.353,57	5.602,20
Provisions	5.40b	34.412,83	29.129,25	30.383,42
Other long term liabilities	5.41	38.532,44	0,00	0,00
Total long term liabilities		**133.642,64**	**108.307,42**	**109.509,15**
Short term liabilities				
Suppliers	5.39	53.565,20	48.469,67	41.190,52
Long term loan liabilities payable next year	5.36	0,00	4.370,39	0
Short term loan liabilities		0,00	0	20.024,92
Long term finance leases liabilities payable next year	5.37	7.556,89	7.753,91	7.699,80
Other short term liabilities	5.42	65.106,24	29.132,69	30.013,55
Liabilities from tickets sold but not flown	5.43	45.893,52	26.197,28	22.160,70
Accrued expenses	5.44	21.587,24	12.183,08	15.133,81
Hedging derivatives	5.45	3.557,11	1.759,43	126,29
Current tax income		10.217,88	0	0
Provisions	5.40a	7.352,18	4.324,77	1.400,00
Total short term liabilities		**214.836,27**	**134.191,22**	**137.749,59**
Total liabilities		**348.478,91**	**242.498,64**	**247.258,74**
TOTAL EQUITY AND LIABILITIES		**561.356,15**	**396.869,03**	**418.107,06**

AEGEAN A STAR ALLIANCE MEMBER AEGEAN AIRLINES S.A. amounts in thousand €

2.1 Statement of Comprehensive Income of the Company

Income statement

	Note	01/01 -31/12/2013	01/01 -31/12/2012
Revenue	5.46	**682.682,72**	**562.857,61**
Other operating income	5.47	6.184,03	5.048,48
Personnel expenses	5.49	(69.203,53)	(69.875,23)
Depreciation		(11.715,72)	(11.822,17)
Consumption of materials and services	5.48	(525.356,00)	(495.087,29)
Restructuring provisions		0,00	(2.924,77)
Bad debts write off		0,00	(1.298,67)
Profit / (Loss) from fair value revaluation		0,00	1.324,37
Financial income	5.50	16.637,57	8.086,43
Financial expense	5.50	(15.619,06)	(8.927,15)
Earnings / (Losses) before tax		**83.610,00**	**(12.618,40)**
Income tax	5.51	(17.279,27)	2.121,94
Earnigs / (Losses) after tax		**66.330,73**	**(10.496,06)**

Statement of total income

		01/01-31/12/2013	01/01-31/12/2012
(a) Transferred to the income statement			
Cash flow hedging			
Reclassification of Profit / (Loss) in the result for the period	5.35	3.193,54	(5.254,37)
Profit / (Loss) for the period	5.35	(3.750,47)	(1.755,62)
Available for sale financial assets			
Profit / (Loss) for the period	5.35	1.682,08	0,00
Income tax transferred to the income statement	5.35	(292,55)	1.401,99
Total (a)		**832,61**	**(5.608,01)**
*(b) **Non-transferred to the income statement***			
Profit / (Loss) for the employee retirement benefits		(114,70)	(466,84)
Deferred tax		29,80	92,97
Total (b)		**(84,90)**	**(373,87)**
Other comprehensive income for the period after tax		**747,71**	**(5.981,88)**
Total comprehensive income		**67.078,44**	**(16.477,94)**
Basic earnings / (loss) per share in €	5.58	0,9288	(0,1470)

AEGEAN AIRLINES S.A. amounts in thousand €

2.2 Statement of Comprehensive Income of the Group

	Note	01/01 -31/12/2013	01/01 -31/12/2012
Revenue	5.46	**698.916,50**	**562.857,61**
Other operating income	5.47	10.246,63	5.048,48
Personnel expenses	5.49	(73.784,71)	(69.875,23)
Depreciation		(12.086,35)	(11.822,17)
Consumption of materials and services	5.48	(545.601,59)	(495.087,29)
Restructuring provisions		(3.588,78)	(2.924,77)
Bad debts write off		0,00	(1.298,67)
(Loss) / gain from fair value revaluation		0,00	1.324,37
Financial income	5.50	17.378,09	8.086,43
Financial expense	5.50	(16.404,32)	(8.927,15)
Earnings / (Losses) before tax		**75.075,47**	**(12.618,40)**
Income tax	5.51	(17.316,31)	2.121,94
Earnigs / (Losses) after tax		**57.759,15**	**(10.496,06)**

		01/01-31/12/2013	01/01-31/12/2012
(a) Transferred to the income statement			
Cash flow hedging			
Reclassification of Profit / (Loss) in the result for the period	5.35	3.193,54	(5.254,37)
Profit / (Loss) for the period	5.35	(3.750,47)	(1.755,62)
Available for sale financial assets			
Profit / (Loss) for the period	5.35	1.682,08	0,00
Income tax transferred to the income statement	5.35	(292,55)	1.401,99
Total (a)		**832,61**	**(5.608,01)**
(b) Non-transferred to the income statement			
Profit / (Loss) for the employee retirement benefits		(114,70)	(466,84)
Deferred tax		29,80	92,97
Total (b)		**(84,90)**	**(373,87)**
Other comprehensive income for the period after taxes		**747,71**	**(5.981,88)**
Total comprehensive income		**58.506,86**	**(16.477,94)**
Basic earnings / (loss) per share in €	5.58	0,8088	(0,1470)

AEGEAN AIRLINES S.A. amounts in thousand €

3.1 Statement of changes in Equity of the Company for the period ended at 31.12.2013

	Issued capital	Share premium	Cash flow hedging reserves	Reserves (other)	Available for Sale	Accumulated Profit / (Loss)	Total equity
Balance as at 1 January 2012	**46.421,11**	**144.774,41**	**3.658,63**	**2.989,76**	**0,00**	**(28.524,96)**	**169.318,95**
Effect due to change of accounting policy (IFRS 19)						1.529,38	**1.529,38**
Total comprehensive income after taxes			(5.608,01)			(10.869,93)	**(16.477,94)**
Balance as at 31 December 2012	**46.421,11**	**144.774,41**	**(1.949,38)**	**2.989,76**		**(37.865,51)**	**154.370,39**
Balance as at 1 January 2013	**46.421,11**	**144.774,41**	**(1.949,36)**	**2.989,76**	**0,00**	**(37.865,53)**	**154.370,39**
Total comprehensive income after taxes			(412,13)		1.244,74	66.245,83	**67.078,45**
Balance as at 31 January 2013	**46.421,11**	**144.774,41**	**(2.361,48)**	**2.989,76**	**1.244,74**	**28.380,30**	**221.448,82**

3.2 Statement of changes in Equity of the Group for the period ended at 31.12.2013

	Issued capital	Share premium	Cash flow hedging reserves	Reserves (other)	Available for Sale	Accumulated Profit / (Loss)	Total equity
Balance as at 1 January 2012	**46.421,11**	**144.774,41**	**3.658,63**	**2.989,76**	**0,00**	**(28.524,96)**	**169.318,95**
Effect due to change of accounting policy (IFRS 19)						1.529,38	**1.529,38**
Total comprehensive income after taxes			(5.608,01)			(10.869,93)	**(16.477,94)**
Balance as at 31 December 2012	**46.421,11**	**144.774,41**	**(1.949,38)**	**2.989,76**		**(37.865,51)**	**154.370,39**
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			(412,13)		1.244,74	57.674,25	**58.506,85**
Balance as at 1 January 2013	**46.421,11**	**144.774,41**	**(2.361,48)**	**2.989,76**	**1.244,74**	**19.808,72**	**212.877,24**

AEGEAN AIRLINES S.A. amounts in thousand €

4.1 Cash Flow Statement of the Company for the period ended at 31.12.2013

	31/12/2013	31/12/2012
Cash flows from operating activities		
Profit / (loss) before tax	**83.610,00**	**(12.618,40)**
Adjustments for:		
Depreciation of tangible assets	11.715,72	11.822,17
Provisions	(7.333,72)	1.955,14
Foreign currency exchange (gains) / losses	(3.123,62)	(2.409,18)
(Profit) / loss from investing activities	(3.359,17)	(2.454,98)
Finance Cost	3.778,42	4.381,26
Cash flows from operating activities before changes in working capital	**85.287,63**	**676,01**
Changes in working capital		
(Increase)/Decrease in inventories	(630,46)	643,94
(Increase)/Decrease in trade & other receivables	1.087,81	11.520,06
(Increase)/Decrease in derivatives receivables	(114,27)	5.325,31
Increase/(Decrease) in liabilities	27.546,58	6.516,14
Increase /(Decrease) in derivatives liabilities	1.503,82	(3.923,31)
Total changes in working capital	**29.393,48**	**20.082,14**
Interest expenses paid	(2.896,31)	(3.334,05)
Net cash flows from operating activities	**111.784,79**	**17.424,10**
Cash flows from investing activities		
Purchases of tangible assets	(1.516,94)	(1.920,24)
Proceeds from sale of tangible assets	21,87	186,84
Advances' reimbursement for the acquisition of tangible assets	(1.040,50)	0,00
Advances for investing activities	0,00	(20.000,00)
Proceeds from sale of shares	(8.830,00)	0,00
Purchases of subsidiaries	(10.400,01)	0,00
Interest and other financial income received	2.633,01	2.153,44
Net cash flows from investing activities	**(19.132,58)**	**(19.579,96)**
Cash flows from financing activities		
Loans repayment	(12.710,39)	(7.524,92)
Finance leases capital repayment	(7.694,18)	(7.820,38)
Net cash flows from financing activities	**(20.404,57)**	**(15.345,30)**
Net (decrease)/ increase in cash and cash equivalents	**72.247,64**	**(17.501,17)**
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	**221.547,42**	**149.299,77**

AEGEAN AIRLINES S.A. amounts in thousand €

4.2 Cash Flow Statement of the Group for the period ended at 31.12.2013

	31/12/2013	31/12/2012
Cash flows from operating activities		
Profit / (loss) before tax	**75.075,46**	**(12.618,40)**
Adjustments for:		
Depreciation of tangible assets	12.086,36	11.822,17
Provisions	1.631,93	1.955,14
Loss from impairment of tangible assets	1.166,76	0,00
Foreign currency exchange (gains) / losses	(3.195,28)	(2.409,18)
(Profit) / loss from investing activities	(3.524,78)	(2.454,98)
Finance Cost	3.911,46	4.381,26
Cash flows from operating activities before changes in working capital	**87.151,91**	**676,01**
Changes in working capital		
(Increase)/Decrease in inventories	(117,71)	643,94
(Increase)/Decrease in trade & other receivables	2.343,69	11.520,06
(Increase)/Decrease in derivatives receivables	(114,27)	5.325,31
Increase/(Decrease) in payables	17.087,70	6.516,14
Increase /(Decrease) in derivatives liabilities	1.503,82	(3.923,31)
Total changes in working capital	**20.703,23**	**20.082,14**
Interest expenses payable	(3.037,35)	(3.334,05)
Net cash flows from operating activities	**104.817,78**	**17.424,10**
Cash flows from investing activities		
Purchases of tangible assets	(1.587,59)	(1.920,24)
Advances' reimbursement for the acquisition of tangible assets	21,87	186,84
Advances' reimbursement for the acquisition of tangible assets	0,00	(20.000,00)
Advances for investing activities	(1.040,50)	0,00
Proceeds from sale of shares	(8.830,00)	0,00
Purchases of subsidiaries	(10.400,01)	0,00
Cash of subsidiary	18.850,47	0,00
Interest and other financial income received	2.649,76	2.153,44
Net cash flows from investing activities	**(336,01)**	**(19.579,96)**
Cash flows from financing activities		
Loans repayment	(19.210,39)	(7.524,92)
Finance leases capital repayment	(7.694,18)	(7.820,38)
Net cash flows from financing activities	**(26.904,57)**	**(15.345,30)**
Net (decrease)/ increase in cash and cash equivalents	77.577,20	(17.501,17)
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	**226.876,98**	**149.299,77**

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 Shareholders Meeting. The Company's registered address is in the Municipality of Kifissia, Attiki (31 Viltanioti St. PC 145 64).

The financial statements for the period ended 31 December 2013 have been prepared in accordance with International Financial Reporting Standards (IFRS) as they have been adopted by the European Union and have been approved by the Board of Directors of the Company on February 27th 2014 and are subject to approval of the Ordinary General Shareholders Meeting that is to be assembled within the first half of 2014.

5.2 Nature of operations

The Company and the Group operate in the sector of airline 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, they render services of aviation applications, technical support and on ground handling aircraft services. Indicatively, the Company's and the Group's objectives include among others 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 annual financial statements

The Company's financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS). The financial statements have been prepared under the historical cost principle except for certain categories of assets and liabilities that have been revalued of in fair values as stated in the relevant notes.

The accounting policies applied for the preparation of the annual financial statements are the same with those applied in the published financial statements of the Company for the year ended 31 December 2012 except for the actuarial gains and losses (Note 5.4) and the booking of airport fees deducted from revenue. Since this change had no impact on the equity results, assets and liabilities, revenues and expenses for the previous period (31.12.2012) decreased equally by 90.53 million.

The preparation of the financial statements according to the International Financial Reporting Standards (IFRS) requires the usage of accounting estimations. It also requires management's judgment for the implementation of the Company's accounting principles. The cases with a higher degree of judgment and complexity or where the judgments and estimations are crucial for the Company's financial statements, are included in note 5.6.

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 re-classifiable to profit or loss subsequently (reclassification adjustments). It did not have effect on the financial statements of the group. (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).

IFRS 11 "Joint Arrangements". The standard replaces IAS 31 "Interests in Joint Ventures" and IFRIC 13 'Jointly controlled entities - non-monetary contributions by venturers. The new standard distinguishes common arrangements in joint operations and joint ventures. The joint operations are accounted for in accordance with standards that address the related assets, liabilities, revenues and expenses of the joint operation. Interests in joint ventures accounted for using the equity method. IAS 28 was renamed to "Investments in associates and joint ventures." It is not applicable to the Group. (Effective for annual periods beginning on or after 01.01.2013)

IFRS 12 "Disclosure of Interests to Other Entities". The Standard specifies the minimum disclosures in relation to interests in subsidiaries, associates, joint ventures and structured uncontrolled - non consolidated entities. It did not have effect on the financial statements of the group. (Effective for annual periods beginning on or after 01.01.2013).

IFRS 13 "Fair Value Measurement". Under this standard the issues of determining and measuring fair value as well as required disclosures about fair value, are concentrated in a Standard – Framework. It did not have effect on the financial statements of the group. (Effective for annual periods beginning on or after 01.01.2013).

5.5 New Standards and Interpretations Effective for Annual Periods Beginning after 01.01.2013

Annual Improvements 2010-2012 issued in December 2013 that concern IAS 16, IAS 24, IAS 38, IFRS 2, IFRS 3, IFRS 8 and IFRS 13. The improvements are effective for annual periods commencing on or after 01.07. 2014. They are not expected to have a material impact on the financial statements of the group or the company.

Annual Improvements 2011-2013 issued in December 2013 that concern IAS 40, IFRS 1, IFRS 3 and IFRS 13. The improvements are effective for annual periods commencing on or after 01.01. 2014. They are not expected to have a material impact on the financial statements of the group or the company.

Amendment of IAS 19 «Employee Benefits» issued in November 2013 that concerns contributions to defined benefit plans by employees or other, related to services. The amendment is effective for annual periods beginning on or after 01.07.2014. It is not expected to have a material impact on the financial statements of the group or the company.

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).

Amendments of IFRS 9 "Financial instruments" by adding a third chapter concerning "Hedge Accounting" and amendments to IAS 39, IFRS 7 and existing IFRS 9, that issued in November 2013 . The amendments are available for use. The mandatory application of the hole IFRS 9 will be determined when the standard is finalized. They are not expected to have a material impact on the financial statements of the group or the company.

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).

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).

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 Important accounting judgments, estimates and assumptions.

The preparation of financial statements according to International Financial Reporting Standards (IFRS) requires from management the formulation of judgments, assumptions and estimates that affect assets and liabilities at the reporting date of the financial statements. They also affect the disclosures of contingent assets and liabilities at the reporting date as well as the published revenues and expenses during the period. Actual results may differ from those estimated. Estimates and judgments are based on experience from the past as well as other factors including expectations for future events which are considered reasonable under specific circumstances while they are reassessed continuously with the use of all available information.

Judgments

During the application of accounting policies, Company's management, using the most accurate and available information, applies its judgment based on the knowledge of the Company and the market in which it operates. Possible future changes in the current conditions are taken into account in order to apply the most proper accounting policy. Management's judgment with regard to the formulation of estimates pertaining the accounting policies are summarized in the following categories:

Classification of investments

Management decides on the acquisition of an investment whether this will be classified as held to maturity, current investment measured at fair value through the income statement or held for sale. Classification of investments at fair value through the income statement depends on how the management monitors the return on investment.

Recoverability of accounts receivable

Company's management's judgment regarding the estimation of recoverability of accounts receivable constitutes a significant item for the assessment of the relevant balances as bad debts and the measurement of their probable impairment.

Depreciation in inventories value

The management's judgment regarding the depreciation of the inventories value is crucial and is based on subjective (concerning the use of inventories) and objective criteria (suitability of the inventories).

Determining whether a lease can be classified as operating or finance lease

The evaluation of such agreements is not only subject to the assessment of the type of the lease but mainly to the assessment of the substance of transaction. Factors examined to assess the substance of the transaction are the term of the lease, the fair value of the asset, the present value of the asset compared to the present value of the minimum lease payments, the specific nature of the assets and various other factors.

Accounting treatment of liabilities/assets regarding aircraft maintenance

The accounting treatment and measurement of the above reserves is based on management judgments and estimates concerning the use of aircraft and maintenance planning as well as the relevant terms in the leasing contracts.

Estimates and assumptions

Specific amounts which are included in, or affect the financial statements and the relevant disclosures are assessed from the Company's management in order to formulate assumptions regarding values or conditions which are not certain during the preparation of the financial statements. An accounting estimate is considered material when it is significant for the financial condition and the results of the Company and it requires difficult, subjective or complex judgments by the management and which is often a result of uncertain assumptions. The Company evaluates such estimates on a continuous basis based on the results of past experience, on experts' consultations, trends and tendencies and on other methods which are considered reasonable in the current circumstances, as well as the Company's provisions with regard to their probability to change in the future.

Income tax

The measurement of income taxes provisions is heavily based on estimates. There are a lot of transactions for which the accurate calculation of the tax is not possible in the normal course of business. The Company recognizes liabilities for anticipated tax matters, based on estimates for potential amounts due for additional taxes. When the expected final tax payable is different from the initial estimates in the financial statements the differences have an impact in the income tax and in the provisions for deferred taxation in the period when these amounts become final. Moreover, possible effects from the tax audit of previous periods are included in note 5.40.

Fair value of derivatives and other financial instruments

The Company uses derivatives to manage a series of risks including interest rates, foreign currency exchange rates and jet fuel price. Accounting for derivatives, in order to qualify for hedge accounting, requires that at the inception of the arrangement the details of the hedging relationship must be formally documented and the hedged item and the hedging instrument must meet certain requirements. From the beginning of a hedging and thereafter, every quarter the hedging effectiveness is evaluated both retrospectively and prospectively. In cases where the hedging becomes ineffective, it does no longer qualify as a hedge instrument in the future. The fair values of the derivative contracts are calculated using company's valuation methods incorporate market data originating from independent sources. Additional information regarding the use of derivatives is provided in note 5.45.

Bad debts

Bad debts are accounted in their estimated recoverable amount. Analysis for the calculation of the recoverable amounts is taking into consideration the Company's general experience on bad debts' probability of recoverability.

Contingencies

The Company is involved in litigation and claims in the normal course of operations. Management , based on past experience and the fact that the trial procedures are still in process, estimates that any resulting settlements would not materially affect its financial position and operations. However, the determination of contingent liabilities relating to the litigation and claims is a complex process that involves judgments as to the possible outcomes and interpretation of laws and regulations. Future changes to the judgments or the interpretations may increase or decrease the Company's contingent liabilities in the future. Contingent assets / liabilities balances are analyzed in note 5.54.

Useful life of depreciable assets

The Company's management evaluates the useful life of depreciable assets in every period.
On 31 December 2013 the Company's management believes that the useful lives of the assets are in line with their expected usefulness. The depreciable amounts are analyzed in notes 5.23 and 5.24. Actual values though may differ due to the straight line depreciation of assets policy, especially for assets such as IT equipment and software.

5.7 Summary of accounting policies

Basis of preparation of financial statements

The accounting policies used for the preparation of the 2013 financial statements are presented below. The financial statements are presented in thousand Euros. It is noted that possible small deviations are due to rounding.

5.8 Foreign currency translation

The financial statements of the Company are presented in Euros (€) which is its operating currency.

Foreign currency transactions are converted into the operating currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of remaining balances at year-end exchange rates are recognized in the income statement in the accounts "financial income" & "financial expense" respectively.

5.9 Revenues and expenses recognition

Revenues are recognized at the time the Company expects to receive the economic benefits and these benefits can be measured reliably.
Revenue is measured at the fair value of the consideration received or receivable and net of V.A.T., other credits, trade discounts and airports fees.
The amount of revenue is estimated that it can be measured reliably only when all contingent liabilities related to it have been resolved.

Revenue is recognized as follows:

Services: Revenue from services is recognized in the period that the service is rendered based on its completion stage. Services relate to transfer of passengers or goods with scheduled and unscheduled (charter) flights.
Revenue from services that will be provided in a future period is recognized in accounts payable (deferred income) and accounted in the period when the services are rendered.
If the initial estimations on revenues change, then the relevant expenses or their completion stage are revised. These restatements may lead to increases or decreases of the estimated revenues or expenses and are booked in and are announced by the management.

Interest income: Interest income is calculated using the method of the effective interest rate which is the rate that discounts accurately future cash payments or installments for the expected duration of the financial instruments or when necessary for a shorter term, at the net book value of the asset or liability.

Expenses: Expenses are recognized in the income statement on accrual basis. Aircraft maintenance costs for are calculated based on the actual flight hours. Interest expense is calculated using the effective interest rate and according to time elapsed.

5.10 Intangible assets

Airports slots and software licenses are included in intangible assets. Airports slots have an indefinite useful life, therefore they are not depreciated, but they are subject to reassessment at each balance sheet date.
Software licenses are valued at cost less amortization and/or any other possible impairment. Amortization is calculated applying the straight line method in the useful life of the assets which is between 1 to 10 years.
Goodwill is an asset with an indefinite useful life, therefore it is not depreciated, but is subject to reassessment at each balance sheet date. It derives from the company acquisition and is calculated as a balance between the acquisition price and the fair value of the net assets acquired.

5.11 Tangible assets

Tangible assets are reported in the financial statements at acquisition cost, less accumulated depreciations and any impairment losses. The acquisition cost includes all the directly attributable expenses for the acquisition of the assets. Subsequent expenditure is added to the carrying value of the tangible fixed assets or is recognized as a separate fixed asset only if it is expected to increase the future economic benefits for the Company and their cost can be accurately and reliably measured. The repair and maintenance expenditure is recognized in the results when such expenditure occurs. Tangible assets that have been acquired through finance leasing are depreciated through the whole duration of the expected useful life (based on similar owned tangible assets) if it is shorter than the lease duration.

Depreciation of tangible fixed assets (other than Land which is not depreciated) is calculated using the straight line method over their useful life, as follows:

Buildings	10-20 years
Machinery	6-8 years
Aircraft	20-25 years
Vehicles	3-5 years
Aircraft / airport equipment	3-8 years
Other equipment	5 years

The residual values and useful economic life of tangible fixed assets are subject to reassessment at each balance sheet date. When the book value of tangible fixed assets exceeds their recoverable amount, the difference (impairment) is immediately expensed in the income statement. Upon sale of the tangible fixed assets, any difference between the proceeds and the book value is recognized as profit or loss to the results.

5.12 Impairment of tangible and intangible assets

Tangible and intangible assets are reported at amortized cost and are subject to impairment review when certain events indicate that the book value may not be recoverable. Aircraft and other tangible and intangible assets are evaluated for impairment annually.
Any impairment losses are initially deducted from the goodwill and if they are not fully covered they are attributed to the individual components and encumber the financial results.

The impairment loss is the amount by which the book value of the cash-generating unit exceeds its recoverable amount. The recoverable amount is determined by discounting the future cash flows expected from the cash-generating unit.

5.13 Leases

The Company as lessee:

Finance leases

Leases of tangible assets that transfer to the Company all the risks and benefits linked to the ownership of an asset, whether the title has or has not eventually been transferred, constitute finance leases. At inception, such leases are carried at the lower of the fair value of the leased asset and the present value of the minimum lease payments. Every lease is apportioned between liability and finance cost so that a fixed interest rate can be applied on the residual financial liability.

Operating leases

The leases where the lessor transfers the right of use for an asset for a certain period without actually transferring all the risks and benefits linked to the ownership of an asset, are classified as operating leases. Payments made under operating leases (net of possible incentives offered by the lessor) are recognized to the income statement over the period of the lease.

The Company as lessor:

The leases in which the Company does not actually transfer all risks and benefits of an asset are classified as operating leases. Initial direct costs which burden the lessor during the negotiation and signing of the lease contract are added to the book value of the leased asset and are recognized as revenue during the leasing period. As a lessor the Company receives lease payments from the sublease of offices. The amounts received are immaterial compared to the Company's size.

5.14 Financial assets

The financial assets of the Company are classified in the following categories based on the substance of the contract and the objective of the acquisition.

- Financial assets measured at fair value through the income statement

- Loans and receivables
- Financial assets available for sale

Financial assets measured at fair value through the income statement

Financial assets or liabilities recognized at fair value through the income statement comprise those financial instruments classified as held for commercial purposes or recorded at fair value through the income statement at initial recognition. In addition, the financial derivatives instruments that do not qualify for hedge accounting are classified as held for commercial purposes. Upon initial recognition, they are designated by the Company as an instrument measured at fair value, and any valuation changes are recognized in the income statement.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed and/or determinable payments that are not rated with a market value. They are generated when the Company provides cash, products or services directly to a debtor without a commercial purpose (commercial receivables). Loans and receivables are valued using the effective interest rate method less any impairment. Any movement in the value of the above loans and receivables is recognized in the result when loans or receivables are written off or their value is impaired or amortized.

Certain receivables are tested independently for possible impairment (i.e. for each customer separately) in case where the agreed collection time is overdue at the balance sheet date or in case that objective evidence indicates their impairment. Other receivables are grouped and tested for a potential ssible impairment. Groups' common characteristics may be geographical distribution, industry sector or other possible factors that affect their credit risk.

Loans and receivables are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are recognized as non-current and are classified in the balance sheet as commercial and other receivables.

Fair value

The fair values of financial assets that are quoted in active markets are defined by closing market prices on the balance sheet date. Regarding non-tradable assets, their fair values are defined with the use of valuation techniques. The purpose of using valuation techniques is to determine the transaction value at the record date which is conducted at commercial terms and driven by common business factors. Valuation techniques include the analysis of recent transactions at commercial terms, peer group valuation, discounted cash flows and stock option valuation models.

Financial derivatives and hedge accounting

All financial derivative assets are initially recognized at the fair value on the agreement date and subsequently at their fair value. Financial derivative instruments are recognized in assets when their fair value is positive and in liabilities when their fair value is negative. Their fair value is calculated from the value they have on an active market or through other valuation techniques when an active market does not exist for these financial instruments.

The profit or loss recognition depends whether a derivative has been determined as a hedging item and if hedging exists based on the nature of the hedged item. Profit or loss arising from the change of the fair value of derivatives that are not recognized as hedging items, is recognized in the income statement. The Company is using hedge accounting when at the commencement of the hedging transaction, and the subsequent use of financial derivatives can determine and justify the hedging relationship between the hedged item and the instrument used for hedging, relating to its risk management policy and strategy for hedging. Moreover hedge accounting is used only when it is expected that the hedging strategy will be highly effective and reliably and continuously calculated, for the periods it was intended for, as per the reconciliation of the movements in the fair value or the cash flows resulting from the hedged risk. The Company is hedging cash flows using financial derivative instruments.

Cash flow hedging

With cash flow hedging the Company is covering risks coming from an asset, liability or future transaction that cause fluctuations in the cash flows and which could have an impact to the period's result. For financial derivatives classified as hedging items for cash flow hedging purposes, special accounting treatments are required. In order to fulfill the hedge accounting requirements, certain conditions relating to justification, hedging effectiveness and reliable calculation must be met.

The changes in the fair value of the effective part of the hedging derivative are recognized in the equity while the ineffective part is recognized in the income statement. The accumulated balances in the equity are transferred in the income statement of the periods where the hedging derivatives are recognized. In particular amounts relating to hedging of fuel prices increase or decrease fuel expenses, amounts relating to hedging of lease rentals increase or decrease lease expenses and amounts relating to hedging of interest rates increase or decrease finance costs.

When a financial instrument expires, is either sold or exercised without being replaced, or when a hedged item does no longer fulfill the criteria of hedge accounting, cumulative gain or loss remains in equity and it is recognized when the transaction occurs. If the hedged transaction is not expected to occur, gains or losses are recognized directly in the income statement.

5.15 Inventories

The inventories include aircraft spare parts and purchased goods. The acquisition cost includes all the costs incurred to bring the inventories at their current location and condition. Finance cost is not included in the inventories acquisition cost. The inventories' cost is calculated using the FIFO method (First In First Out).

On the balance sheet date, the inventories are measured at the lower of acquisition cost and net liquidation value.

5.16 Cash and cash equivalents

Cash and cash equivalents include cash at bank, petty cash as well as short term highly liquid deposits with an original maturity of three months or less.

5.17 Share capital

Share capital is determined using the nominal value of shares that have been issued. Share premium reserve includes all premiums in excess of the nominal price received at the date of the issue.
A share capital increase through cash includes any share premium during the initial share capital issuance. Any cost related to the capital increase or any tax benefit is deducted from the product of the share capital increase.
Retained earnings include the result of the current and the previous periods.

5.18 Employee benefits due to retirement and other short term benefits to employees

Short term benefits

Short term employee benefits in cash or in kind are recognized as expense when incurred. Any unpaid amount is recognized as liability.

Retirement benefits

The Company has established both defined benefit and defined contribution plans.
A defined benefit plan is a retirement benefit outside the scope of a defined contribution schemes. Typically, defined benefit schemes provide for a benefit the employee will receive on retirement, based on factors such age, service years and compensation received.

The balance sheet liability in respect of a defined benefit plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of the plan's assets.
The defined benefit obligation is measured annually by independent actuaries using the projected unit credit method. The current value of the defined benefits is estimated by discounting the future expected cash

outflows (using the interest rate of European bonds index IboxAA), issued in the currency the benefits will be paid at and have similar maturity terms to those of the retirement's liability.

The actuarial gains or losses that result from adjustments based on experience and changes in accrual assumptions at the end of the previous period exceeded the higher of the 10% of the defined benefit tax assets or the 10% of the defined benefit liabilities, are charged to the results based on the expected average of the remaining working life of the employees that participate to the scheme.

A defined contribution plan is a retirement scheme where the Company pays defined contributions, to an independent institution (the fund) that operates the contributions and provides the benefits, on a compulsory or non-compulsory basis. The Company has no other legal or any other type of obligation for further contributions if the fund is unable to meets its contract requirements and provide to the employees the agreed benefits for current or past services. Prepaid contributions are recognized as assets to the extent the cash return or decrease is expected in the future payments.

5.19 Financial liabilities

Financial liabilities include bank loans and overdrafts, trade and other payables and liabilities incurred and financial leases.

The Company's financial liabilities (except for bank loans) are recognized in the balance sheet in the accounts "Long term liabilities" and "Short term liabilities".

Financial liabilities are recognized when the Company becomes a party to the contractual agreements of the instrument and derecognized when the obligation under the liability is discharged, cancelled or expires.
Bank loans provide long term financing to the Company. All loans are initially recognized at cost which is the fair value of the consideration received less the issue costs. After the initial recognition, bank loans are valued in their depreciable amount with the real interest rate method. The depreciated amount is calculated taking into consideration every discount or premium in the settlement.

All interest related charges are recognized as an expense in "financial expense" in the income statement.
Trade payables are recognized initially at their nominal value and subsequently valued at their amortized cost less any settlement payments.

Dividends payable to the shareholders are in included in "Other short term liabilities" when they are approved by the Shareholders' General Meeting.

When a current financial liability is exchanged with another of different type and terms (or the terms of the current liability are substantially changed) but from the same originator, this is dealt as termination of the initial liability and commencement of a new one. Any difference in the book values is recognized in the income statement.

5.20 Income tax & deferred tax

Income tax

Current income tax receivables / liabilities comprise of obligations to / or claims from fiscal authorities based on taxable income of the current or previous reporting periods that have not been settled until the balance sheet date.
They are measured at tax rates and tax laws that are enacted on the respective financial year based on the taxable profits for the period. All differences in tax assets / liabilities are charged to the income statement for the period as part of the income tax expense.

Deferred tax

Deferred income taxes are measured with the liability method that focuses on temporarily differences. This includes the comparison of the accounting value of assets and liabilities of consolidated financial statements with the respective tax bases. Deferred tax assets are recognized to the extent that it is possible to be offset by future income taxes. Deferred tax assets are re-examined at every balance sheet date and are reduced to the extent that it is no longer possible that enough taxable income will be available to allow the use of benefit (in total or partially) of the deferred tax asset. Deferred tax liabilities are recognized for all temporal tax differences.

Deferred tax assets and liabilities are measured at tax rates that are expected to be enacted when the asset will be recovered or the liability settled taking into consideration the tax rates already enacted by the time of the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as tax revenue - expense. Changes in deferred tax assets or liabilities related to a change in the value of asset or liability recognized in equity through the statement of other comprehensive income or directly, are recognized in equity through the statement of comprehensive income or directly respectively.
The Company recognizes a previously unrecognized deferred tax asset to the extent that it is probable that future taxable profit will allow the recovery of the deferred tax asset.

5.21 Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has present legal or assumed obligations as a result of past events, their settlement is probable through an outflow of economic resources from the Company and the liability can be estimated reliably. The time frame or the resources' outflow may be uncertain. A present obligation stems from the existence of a legal or assumed obligation resulting from past events such as warranties, legal disputes or onerous contracts. When the total or part of the estimated provision settlement amount is expected to be paid by a third party, the remuneration will be recognized only if it is more probable than not that the remuneration will be paid by the financial entity. The remuneration amount recognized cannot exceed the provision amount.

The expense relating to a provision is presented in the income statement, net of the provision initially formed. A provision is used only for the purpose it was initially formed. Provisions are evaluated at each balance sheet date and adjusted accordingly in order to depict the best most current estimation. Provisions are valued at the balance sheet date and are adjusted in order to reflect the present value of the obligation's expected settlement cost.

In such cases where the possible economic resources outflow as a result of present obligation is not probable or the amount or the provision cannot be reliably estimated no provision for contingent obligations is recognized in the financial statements however they are disclosed if the probability of economic resources outflows is high. Contingent assets are recognized in the financial statements but are disclosed when the economic resources inflow is probable. Possible economic resources inflows for the Company that do not meet the conditions for an asset are considered as contingent assets.

5.22 Operating Segments

The Company reports on 2 segments:

- Scheduled flights
- Charter flights

The accounting standards applied for each reported segment are the same with the ones applied 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), because the services offered are of different nature and also subject to different customer demand and profit margin.

Results per segment are analyzed as follows:

AEGEAN AIRLINES S.A. amounts in thousand €

01/01/2013-31/12/2013	Scheduled flights	Charter flights	Other income	Total
Total revenue	**575.849,35**	**78.808,71**	**44.258,45**	**698.916,50**
Operating result	**51.599,16**	**8.274,91**	**3.980,99**	**63.855,07**
Financial results				973,77
Other income/(expense)				10.246,63
Profit before taxes				**75.075,47**
Income tax				(17.316,31)
Net result for the period				**57.759,15**
01/01/2012-31/12/2012	**Scheduled flights**	**Charter flights**	**Other income**	**Total**
Total revenue	**461.450,27**	**67.811,86**	**33.595,48**	**562.857,61**
Operating result	**(24.664,30)**	**7.216,41**	**3.520,81**	**(13.927,09)**
Financial results				483,65
Other income/(expense)				825,03
Profit before taxes				**(12.618,40)**
Income tax				2.121,94
Net result for the period				**(10.496,46)**

Other income consists of cargo revenue, goods sold during flights as well as ancillary revenue related to ticket sales services.

Total passengers' revenue per geographical segment is distributed as follows:

	Company		Group	
Total passengers' revenue	**31/12/2013**	**31/12/2012**	**31/12/2013**	**31/12/2012**
Domestic	136.283,97	117.510,38	141.213,21	117.510,38
EU countries – except domestic	445.156,12	374.803,69	447.023,42	374.803,69
Other countries	101.242,64	70.543,53	110.679,88	70.543,53
Total revenue	**682.682,72**	**562.857,61**	**698.916,50**	**562.857,61**

Assets and liabilities breakdown per segment is analyzed as follows:

01/01/2013-31/12/2013	Scheduled flights	Charter flights	Total
Segment's assets	293.161,73	1.405,51	294.567,24
Non assigned to segments assets			266.788,91
Total Assets			**561.356,15**
Segment's liabilities	237.768,58	3.920,82	241.689,40
Non assigned to segments liabilities			106.789,51
Total Liabilities			**348.478,91**

01/01/2012-31/12/2012	Scheduled flights	Charter flights	Total
Segment's assets	199.207,30	2.952,22	202.159,52
Non assigned to segments assets			194.709,51
Total Assets			**396.869,03**
Segment's liabilities	208.474,27	6.052,99	214.527,26
Non assigned to segments liabilities			27.971,38
Total Liabilities			**242.498,64**

5.23 Intangible assets

As at 31.12.2013 the Company holds intangible assets amounting to € 27.056,49 thousand and the Group 56.387,44 thousand. The changes in the aforementioned amounts are analyzed as follows:

	Company		Group	
Intangible assets	**31/12/2013**	**31/12/2012**	**31/12/2013**	**31/12/2012**
Acquisition cost				
Balance as at January 1	32.107,90	31.466,33	32.107,90	31.466,33
Intangible assets acquired from the subsidiary	0,00	0,00	36.264,35	0,00
Additions	1.228,55	641,57	1.247,19	641,57
Disposals	(4,68)	0	(4,68)	0
Total acquisition cost	**33.331,77**	**32.107,90**	**69.614,76**	**32.107,90**
Accumulated amortization				
Balance as at January 1	5.316,59	4.289,76	5.316,59	4.289,76
Amortization intangible assets acquired from a subsidiary	0,00	0,00	6.677,65	0,00
Amortizations	959,01	1.026,83	1.233,39	1.026,83
Disposals	(0,31)	0	(0,31)	0
Total accumulated amortization	**6.275,28**	**5.316,59**	**13.227,31**	**5.316,59**
Unamortized cost	**27.056,49**	**26.791,31**	**56.387,45**	**26.791,31**

Intangible assets with indefinite useful life (Airports slots and goodwill) are subject to reassessment at each balance sheet date.

The assumptions used for 2013 are the following :

EBIT 5% on revenue and sensitivity analysis with 1% reduction on EBIT.
Discount rate 11,5% and sensitivity analysis with 2% increase on the discount rate.

5.24 Tangible assets

(a) The Company's fleet as at 31.12.2013 consisted of 30 aircraft, as analyzed below:

- 25 Airbus A320
- 4 Airbus A321
- 1 Airbus A319

(b) The Group's fleet as at 31.12.2013 consisted of 45 aircraft, as analyzed below:

- 25 Airbus A320
- 4 Airbus A321
- 2 Airbus A319
- 10 Bombardier Q400
- 4 Bombardier D100

4 A320s of the above mentioned aircraft are under financial leases and the rest are under operating leases.

(c) Table of tangible assets

AEGEAN AIRLINES S.A. amounts in thousand €

Company	Buildings	Aircraft owned	Aircraft Leasing	Aircraft Leasing maint. reserves	Aircraft equipment	Airport equipment	Other vehicles	Furniture and spare parts	Total
Cost of acquisition									
Balance 1 January 2012	**12.171,21**	**6.475,32**	**69.795,08**	**40.160,02**	**7.659,81**	**1.824,39**	**893,21**	**8.350,28**	**147.329,32**
Additions	40,35	-	-	-	750,52	251,64	130,86	102,64	1.276,01
Disposals	(2,10)	-	-	-	(45,25)	(89,66)	(357,73)	(278,83)	(773,56)
Balance 31 December 2012	**12.209,47**	**6.475,32**	**69.795,08**	**40.160,02**	**8.365,09**	**1.986,37**	**666,34**	**8.174,09**	**147.831,77**
Depreciations					**-**	**-**	**-**	**-**	
Balance 1 January 2012	**3.620,97**	**1.699,77**	**9.459,43**	**17.805,34**	**6.655,41**	**1.434,62**	**567,02**	**7.007,42**	**48.249,97**
Depreciation	832,86	323,77	3.140,78	5.430,58	324,16	110,06	87,76	545,44	10.795,41
Disposals	(0,39)	-	-	-	(45,24)	(38,82)	(97,85)	(271,91)	(454,22)
Balance 31 December 2012	**4.453,44**	**2.023,54**	**12.600,21**	**23.235,92**	**6.934,33**	**1.505,86**	**556,93**	**7.280,95**	**58.591,16**
Depreciable value at 31 December 2012	**7.756,03**	**4.451,78**	**57.194,88**	**16.924,10**	**1.430,76**	**480,51**	**109,41**	**893,15**	**89.240,61**
Balance 1 January 2013	**12.209,47**	**6.475,32**	**69.795,08**	**40.160,02**	**8.365,08**	**1.986,37**	**666,34**	**8.174,09**	**147.831,77**
Additions	67,00	-	-	-	1,22	-	-	220,17	288,39
Disposals	**-**	-	-	-	(1,06)	(4,08)	(8,48)	(8,25)	(21,87)
Balance 31 December 2013	**12.276,47**	**6.475,32**	**69.795,08**	**40.160,02**	**8.365,24**	**1.982,29**	**657,86**	**12.276,47**	**148.098,29**
Depreciations									
Balance 1 January 2013	**4.453,43**	**2.023,53**	**12.600,21**	**23.235,92**	**6.934,33**	**1.505,86**	**556,93**	**7.280,95**	**58.591,14**
Depreciations	564,82	323,77	3.140,78	5.847,77	276,29	82,67	22,76	497,86	10.756,72
Disposals	-	-	-	-	(1,06)	(0,86)	(7,91)	(8,24)	(18,07)
Balance 31 December 2013	**5.018,25**	**2.347,29**	**15.740,99**	**29.083,69**	**7.209,56**	**1.587,67**	**571,78**	**7.770,57**	**69.329,79**
Depreciable value at 31 December 2013	**7.258,21**	**4.128,03**	**54.054,09**	**11.076,33**	**1.155,68**	**394,62**	**94,57**	**410,02**	**78.768,50**

AEGEAN AIRLINES S.A. amounts in thousand €

Group	Buildings	Aircraft owned	Aircraft Leasing	Aircraft Leasing maint. reserves	Aircraft equipment	Airport equipment	Other vehicles	Furniture and spare parts	Total
Cost of acquisition									
Balance 1 January 2012	**12.171,21**	**6.475,32**	**69.795,08**	**40.160,02**	**7.659,81**	**1.824,39**	**893,21**	**8.350,28**	**147.329,32**
Additions	40,35	-	-	-	750,52	251,64	130,86	102,64	1.276,01
Disposals	(2,10)	-	-	-	(45,25)	(89,66)	(357,73)	(278,83)	(773,56)
Balance 31 December 2012	**12.209,47**	**6.475,32**	**69.795,08**	**40.160,02**	**8.365,09**	**1.986,37**	**666,34**	**8.174,09**	**147.831,77**
Depreciations					**-**	**-**	**-**	**-**	
Balance January 2012	**3.620,97**	**1.699,77**	**9.459,43**	**17.805,34**	**6.655,41**	**1.434,62**	**567,02**	**7.007,42**	**48.249,97**
Depreciation	832,86	323,77	3.140,78	5.430,58	324,16	110,06	87,76	545,44	10.795,41
Disposals	(0,39)	-	-	-	(45,24)	(38,82)	(97,85)	(271,91)	(454,22)
Balance 31 December 2012	**4.453,44**	**2.023,54**	**12.600,21**	**23.235,92**	**6.934,33**	**1.505,86**	**556,93**	**7.280,95**	**58.591,16**
Depreciable value at 31 December 2012	**7.756,03**	**4.451,78**	**57.194,88**	**16.924,10**	**1.430,76**	**480,51**	**109,41**	**893,15**	**89.240,61**
Balance 1 January 2013	**12.209,47**	**6.475,32**	**69.795,08**	**40.160,02**	**8.365,08**	**1.986,37**	**666,34**	**8.174,09**	**147.831,77**
Acquisitions cost of assets acquired from a subsidiary	**1.305,95**	**-**	**-**	**-**	**243,00**	**-**	**211,38**	**4.702,52**	**6.462,85**
Additions	67,00				1,22		-	272,19	340,41
Disposals	-				(1,06)	(4,08)	(8,48)	(59,40)	(73,02)
Impairments	(1.305,95)								(1.305,95)
Balance 31 December2013	**12.276,47**	**6.475,32**	**69.795,08**	**40.160,02**	**8.608,24**	**1.982,29**	**869,24**	**13.089,40**	**153.256,06**
Depreciation									
Balance 1 January 2013	**4.453,43**	**2.023,53**	**12.600,21**	**23.235,92**	**6.934,33**	**1.505,86**	**556,93**	**7.280,95**	**58.591,14**
Depreciations od assets acquired form a subsidary	**134,85**	**-**	**-**	**-**	**27,99**	**-**	**121,97**	**2.721,47**	**3.006,28**
Depreciation	608,19	323,77	3.140,78	5.847,77	280,34	82,67	27,97	541,48	10.852,97
Disposals					(1,06)	(0,86)	(7,91)	(11,07)	(20,90)
Impairment write-downs	-	-	-	-	-	-	-	-	-
Balance 31 December 2013	**5.018,25**	**2.347,29**	**15.740,99**	**29.083,69**	**7.241,60**	**1.587,67**	**698,96**	**10.532,83**	**72.251,27**
Depreciable value at 31 December 2013	**7.258,21**	**4.128,03**	**54.054,09**	**11.076,33**	**1.366,64**	**394,62**	**178,77**	**2.351,15**	**81.004,81**

AEGEAN A STAR ALLIANCE MEMBER AEGEAN AIRLINES S.A. amounts in thousand €

5.25 Advances for assets' acquisition

The advances for assets acquisition relate to advances given for the purchase of aircraft and aircraft seats.

5.26 Deferred tax assets/liabilities

The deferred tax assets/liabilities arising from the corresponding temporary tax differences for the Company are as follows:

	31/12/2013		31/12/2012	
Company	**Asset**	**Liability**	**Asset**	**Liability**
Revaluation of assets and depreciation/amortization	416,66	(2.513,44)	6.913,89	(1.398,15)
Finance leases		(17.495,46)		(21.991,02)
Receivables	7.021,22	(339,01)	6.441,17	
Provisions for employee retirement benefits	1.602,01		1.270,71	
Liabilities from financial derivatives	1.366,00	(733,85)	564,64	(1.468,99)
Bonds		(437,34)	0,00	0,00
Liabilities from finance leases	15.352,75		13.883,06	
Other short term liabilities	15.174,44	(9.043,06)	8.013,25	(2.818,42)
Tax Loss	0,00		4.866,38	
Total for offsetting	**40.933,09**	**(30.562,17)**	**41.953,10**	**(25.568,60)**
Balance	**10.370,92**		**16.384,50**	

	31/12/2013		31/12/2012	
Group	**Asset**	**Liability**	**Asset**	**Liability**
Revaluation of assets and depreciation/amortization	416,66	(5.529,08)	6.913,89	(1.398,15)
Finance leases	-	(17.495,46)		(21.991,02)
Receivables	7.021,22	(339,01)	6.441,17	
Provisions for employee retirement benefits	1.602,01	-	1.270,71	
Liabilities from financial derivatives	1.366,00	(733,85)	564,64	(1.468,99)
Bonds	-	(437,34)	0,00	0,00
Liabilities from finance leases	15.352,75	-	13.883,06	
Other short term liabilities	15.174,44	(9.043,06)	8.013,25	(2.818,42)
Tax Loss	13.000,00		4.866,38	
Total for offsetting	**53.933,09**	**(33.577,81)**	**41.953,10**	**(25.568,60)**
Balance	**20.355,28**		**16.384,50**	

All deferred tax assets and liabilities were determined by the liability method and refer to temporary tax differences.

Total deferred asset is analyzed below:

	Company		Group	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**

AEGEAN AIRLINES S.A. amounts in thousand €

Short term	5.761,33	6.158,54	9.601,27	6.158,54
Long term	4.609,60	10.225,96	10.754,01	10.225,96
Total deferred assets	**10.370,92**	**16.384,50**	**20.355,28**	**16.384,50**

5.27 Other long term assets

The other long term assets are analyzed as follows:

	Company		Group	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Warranties issued for lease assurance	9.476,37	9.233,12	15.885,67	9.233,12
Other warranties	23,41	23,64	23,41	23,64
Total	**9.499,79**	**9.256,75**	**15.909,09**	**9.256,75**

The Company and the Group in order to secure the current aircraft operating leases and in accordance with the terms of the leasing contracts, provide cash warranties mainly to aircraft leasing companies. Moreover, a minor part of the above balances refers to leased properties that are used by the Company and the Group.

5.28 Inventories

The inventories refer to goods sold during flights and aircraft spare parts.
Concerning the aircraft spare parts, the Company and the Group maintain a determined amount of spare parts in order to cover the needs of the aircraft maintenance and repair operations.

	Company		Group	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Goods	619,35	560,42	619,36	560,42
Aircraft spare parts	5.342,30	4.770,77	10.331,92	4.770,77
Total	**5.961,65**	**5.331,19**	**10.951,28**	**5.331,19**

The changes in the inventories are analyzed as below:

	Company		Group	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Goods				
Opening balance	**560,42**	**499,53**	1.197,96	**499,53**
Purchases for the period	987,55	951,66	1.685,85	951,66
Consumption for the period	(928,62)	(890,77)	(2.264,46)	(890,77)
Closing balance	**619,35**	**560,42**	**619,35**	**560,42**
Aircraft spare parts				
Opening balance	**4.770,77**	**5.475,61**	**9.823,92**	**5.475,61**
Purchases for the period	2.229,04	1.429,45	4.208,38	1.429,45
Spare parts consumption for the period	(1.657,51)	(2.134,29)	(3.700,37)	(2.134,29)
Closing balance	**5.342,30**	**4.770,77**	**10.331,93**	**4.770,77**

AEGEAN AIRLINES S.A. amounts in thousand €

Total inventories	**5.961,65**	**5.331,19**	**10.951,28**	**5.331,19**

5.29 Customers and other trade receivables

The receivables refer mainly to the following balances:

	Company		**Group**	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Domestic customers	7.791,48	7.458,07	10.379,73	7.458,07
Foreign customers	2.191,35	3.430,60	4.915,47	3.430,60
Greek State	607,87	1.844,44	8.742,01	1.844,44
Other miscellaneous debtors	34.944,01	31.986,43	47.661,79	31.986,43
Accrued income receivable	1.711,42	613,86	2.299,62	613,86
Prepayments to suppliers	2.385,89	1.756,22	2.945,93	1.756,22
Total	**49.632,02**	**47.089,63**	**76.944,55**	**47.089,63**

"Other miscellaneous debtors" balance refers to receivables from ticket sales through IATA travel agents in Greece or abroad and tickets sold from/to other airlines.
The majority of the above receivables is considered to be short-term and therefore their fair value is not considered to be materially different from their book value.

The ageing of customer receivables is presented in the table below:

	Company		**Group**	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Expected receivable time:				
Less than 3 months	43.918,57	41.187,21	57.327,59	41.187,21
Within 3 and 6 months	2.629,04	1.933,99	10.998,74	1.933,99
Within 6 months and 1 year	666,90	1.392,84	4.212,59	1.392,84
More than a year	2.417,51	2.575,58	4.405,63	2.575,58
Total	**49.632,02**	**47.089,63**	**76.944,55**	**47.089,63**

The balances with expected receivable time greater than one year refer to the sale of fixed assets agreed with the buyer for payment greater than a year.

5.30 Prepayments

Prepayments relate to amounts paid in advance for certain transactions with third parties or to the Company's and the Group's employees.
Prepayments balance is analysed below:

	Company		**Group**	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Advances to employees	0,00	1,67	12,62	1,67
Prepaid expenses	118,98	155,60	118,98	155,60
Other prepayments	1,16	1,87	1,16	1,87
Prepaid expenses	3.085,26	3.643,97	4.795,57	3.643,97
Fixed asset orders prepayments	0,00	646,92	0,00	646,92

AEGEAN AIRLINES S.A. amounts in thousand €

	3.205,40	**4.450,02**	**4.928,33**	**4.450,02**

Prepaid expenses mainly relate to aircraft lease rentals and insurance premiums and other operating costs.

5.31 Financial assets

This balance relates to a Company's investment in corporate bonds of total face value € 15.330,00 thousand, measured at fair value through the income statement.

	Company		**Group**	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Financial assets measured at fair value through the income statement	17.296,46	6.784,37	17.296,46	6.784,37

5.32 Cash and cash equivalents

The increase in cash and cash equivalents as at 31.12.2013 compared to 31.12.2012 is mainly due to the operating profitability of the current period.

	Company		**Group**	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Petty cash	450,59	164,33	455,82	164,33
Current accounts	159.877,69	28.535,45	161.304,37	28.535,45
Short term time deposits	61.219,14	120.600,00	65.116,79	120.600,00
Total	**221.547,42**	**149.299,77**	**226.876,98**	**149.299,77**

5.33 Share capital

The Company's share capital is €46,421,115, divided into 71,417,100 common registered shares of nominal value sixty five eurocents (€ 0.65) per share.
All shares have been fully paid and participate in the profits.

5.34 Share premium

The share premium amount which resulted from the share capital increase in excess of the nominal value amount totals to € 144,774,410.21.

5.35 Other reserves

Other reserves comprise of statutory, extraordinary and tax exempt reserves as well as reserves arising from cash flow hedges with the use of financial derivatives.

They are analyzed as follows:

	Statutory reserves	**Extraordinary reserves**	**Fair value reserves (cash flow hedging)**	**Available for sale**	**Tax free reserves**	**Total**
Balance at 31/12/2012	**2.597,90**	**356,5**	**(1.949,37)**	**0,00**	**35,37**	**1.040,40**
Change for the period	0,00		(412,13)	1.244,75	0,00	832,62
Balance at 31/12/2013	**2.597,90**	**356,50**	**(2.361,49)**	**1.244,75**	**35,37**	**1.873,02**

Respectively for the period 2012 are analyzed as follows:

AEGEAN AIRLINES S.A. amounts in thousand €

	Statutory reserves	Extraordinary reserves	Fair value reserves (cash flow hedging)	Tax free reserves	Total
Balance at 31/12/2011	**2.597,90**	**356,50**	**3.658,63**	**35,37**	**6.648,40**
Change for the period	0,00		(5.608,01)	0,00	(5.608,01)
Balance at 31/12/2012	**2.597,90**	**356,50**	**(1.949,37)**	**35,37**	**1.040,40**

The fair value reserves are presented net of deferred taxes.

The cash flow hedge reserve and assets for sale for the Company and the Group are analyzed as follows:

	2013		2012	
	Gross amount	**Tax**	**Gross amount**	**Tax**
Balance at period's beginning	**(2.436,72)**	**487,35**	**4.573,28**	**(914,65)**
Result to the income statement	3.193,54	(830,32)	(5.254,37)	1.050,87
Valuation at period end	(2.068,38)	537,78	(1.755,62)	351,12
Balance at period's end	**(1.311,56)**	**194,81**	**(2.436,72)**	**487,35**

5.36 Borrowings

The borrowing liabilities of the Company are analyzed as follows:

	31/12/2013		31/12/2012	
Long term loans	**Weighted average interest rate**	**Amount**	**Weighted average interest rate**	**Amount**
Bond loans in Euro			**6,427%**	8.340,00
Total long term loans		0,00		**8.340,00**
		0,00		
Short term loans				
Short term bank loans				
Long term liabilities payable in the following year		0,00		4.370,39
Total short term loans				**4.370,39**
		0.00		
Total loans				**12.710,39**

The borrowing liabilities of the Group are analyzed as follows:

	31/12/2013		31/12/2012	
Long term loans	**Weighted average interest rate**	**Amount**	**Weighted average interest rate**	**Amount**
Bond loans in Euro		0,00	6,427%	8.340,00
Total long term loans		**0,00**		**8.340,00**
Short term loans				

Short term bank loans		0,00		
Long term liabilities payable in the following year		0,00		4.370,39
Total short term loans		**0,00**		**4.370,39**
Total loans		**0,00**		**12.710,39**

5.37 Liabilities from finance leases

The analysis of finance lease agreements is as follows:

	Company		Group	
Future Payments	**31/12/2013**	**31/12/2012**	**31/12/2013**	**31/12/2012**
Up to 1 year	8.143,70	8.445,54	8.143,70	8.445,54
Between 1 to 5 years	34.424,00	35.176,58	34.424,00	35.176,58
More than 5 years	19.821,62	30.081,43	19.821,62	30.081,43
Total	**62.389,32**	**73.703,55**	**62.389,32**	**73.703,55**
Financial expense	**3.340,30**	**4.288,26**	**3.340,30**	**4.288,26**

Present value of future payments	**31/12/2013**	**31/12/2012**	**31/12/2013**	**31/12/2012**
Up to 1 year	7.595,83	7.735,13	7.595,83	7.735,13
Between 1 to 5 years	32.520,77	33.015,73	32.520,77	33.015,73
More than 5 years	18.932,42	28.664,44	18.932,42	28.664,44
Total	**59.049,02**	**69.415,29**	**59.049,02**	**69.415,29**

The weighted average interest rate was calculated at 0.5407%

5.38 Provisions for employee retirement benefits

The amounts analyzed below are recognized as defined benefit plan for the Company and they are based on independent actuarial calculations:

	31/12/2013	**31/12/2012**
Amounts recognized in the income statement		
Current service cost	619,89	612,89
Interest cost	238,03	289,17
Service cost recognition	0,00	(61,54)
Nominal expense to the income statement	**857,92**	**840,53**
Additional benefits cost	317,71	1.024,59
Total expense to the income statement	**1.175,62**	**1.865,11**
Changes in net obligation recognized in the balance sheet		
Net obligation at the opening year	6.353,57	5.602,20
Benefits paid by the employer	(485,54)	(1.580,58)
Total expense recognized in the income statement	1.175,62	1.865,11
Amount recognized in other comprehensive income	114,70	466,84

AEGEAN AIRLINES S.A. amounts in thousand €

Net obligation at the end of the year	**7.158,36**	**6.353,57**
Changes in the present value of the obligation		
Present value of the obligation - Opening period	6.353,57	5.602,20
Current service cost	619,89	612,89
Interest cost	238,03	289,17
Benefits paid by the employer	(485,54)	(1.580,58)
Additional payments or expenses/income	317,71	1.143,36
Actuarial loss/gain	114,70	286,53
Present value at the end of fiscal year	**7.158,36**	**6.353,57**

The amounts included to the Company's income statement are as follows:

	31/12/2012	**31/12/2011**
Current service cost	619,89	612,89
Finance cost	238,03	289,17
Additional benefits' cost	317,70	963,05
Total employee benefits cost	**1.175,62**	**1.865,11**

Actuarial assumptions were:

	31/12/2013	**31/12/2012**
Discount rate	3,80%	3.84%
Expected salary increase percentage	2.70%	3,00%
Average years of working life	25.28	22.01

The amounts analyzed below are recognized as defined benefit plan for the Group and they are based on independent actuarial calculations:

	31/12/2013	**31/12/2012**
Amounts recognized in the income statement		
Current service cost	810,86	612,89
Interest cost	260,31	289,17
Service cost recognition	(175,97)	(61,54)
Nominal expense to the income statement	**895,20**	**840,53**
Additional benefits cost	166,40	1.024,59
Total expense recognized in the income statement	**1.061,59**	**1.865,11**
Changes in net obligation recognized in the balance sheet		
Net obligation at the beginning of the year	6.817,74	5.602,20
Benefits paid by the employer	(2.115,75)	(1.580,58)
Total expense recognized in the income statement	2.691,81	1.865,11
Amount recognized in other comprehensive income	114,70	466,84
Net obligation at the end of the year	**7.508,50**	**6.353,57**
Changes in net obligation recognized in the balance sheet		

Net obligation at the beginning of the year	6.817,74	5.602,20
Current service cost	810,86	612,89
Interest cost	260,31	289,17
Benefits paid by the employer	(2.115,75)	(1.580,58)
Additional payments or expenses/income	1.771,96	1.143,36
Actuarial loss/gain	(36,61)	286,53
Present value at the end of fiscal year	**7.508,50**	**6.353,57**

The amounts included to the Group's income statement are as follows:

	31/12/2012	**31/12/2011**
Current service cost	810,86	612,89
Finance cost	260,31	289,17
Additional benefits' cost	(9,57)	963,05
Total employee benefits cost	**1.061,59**	**1.865,11**

Actuarial assumptions were:

	31/12/2013	**31/12/2012**
Discount rate	3,80%	3.84%
Expected salary increase percentage	3,80%	3,00%
Average years of working life	25.28	22.01

5.39 Suppliers and other liabilities

The analysis for the Company and the Group is as follows:

	Company		**Group**	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
State-law entities and state-owned enterprises	32,12	29,23	32,12	29,23
Foreign suppliers	19.710,15	20.866,75	23.455,11	20.866,75
Domestic suppliers	18.786,03	25.822,85	26.653,50	25.822,85
Liabilities from customers loyalty programs	1.893,21	1.750,84	3.424,47	1.750,84
Total	**40.421,51**	**48.469,67**	**53.565,20**	**48.469,67**

The balance "Foreign suppliers" relates to liabilities resulting from aircraft maintenance, fuel and aircraft leases.
The carrying amounts of suppliers and other liabilities approach their fair values. Liabilities from customers' loyalty programs due refer to the amount that, as assessed by the Company, will be covered in the subsequent years.

5.40 Provisions

(a) Tax unaudited periods

The Company has not been tax audited for the fiscal years 2012 and 2013.
The fiscal year 2012 has been tax audited according to the tax legislation (1159/2011) by the Certified Accountant. The fiscal year 2013 is being tax audited with the above mentioned methodology too.
In December 2013 the Company's tax audit for the fiscal years 2007 – 2011 has been finalized.
The outcome of the above mentioned tax audit (taxes, fees and surcharges) was € 2,413 thousand.
thousand.

AEGEAN AIRLINES S.A. amounts in thousand €

The Company has appealed to the committee of Article 70B of Law 2238/1994, disputing significant amounts of the above mentioned taxes & surcharges, therefore the amount of the additional taxes, fees and surcharges will not affect the 2013 income statement.
The Company had formed a tax provision for the above mentioned fiscal years (2007-2011) amounting € 1,400 thousand.

The subsidiary has not been tax audited for the fiscal year 2009 till 2013. There were not formed any tax provisions because the subsidiary had significant cumulative tax losses.

(b) Maintenance reserves

The accumulated amount provisioned for future aircraft maintenance (maintenance reserves) is as follows:

	Company		Group	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Balance as at January 1st	**29.129,25**	**30.383,42**	**29.129,25**	**30.383,42**
Balance of provision for acquired subsidiary	0,00	0,00	6.763,11	0,00
Current period's provisions	45.762,42	45.530,84	50.211,88	45.530,84
Less: Provisions used	(49.416,55)	(46.785,00)	(51.691,41)	(46.785,00)
Balance as at December 31st	**25.475,12**	**29.129,25**	**34.412,83**	**29.129,25**

(c) Other provisions

Group "Other provisions" amounting € 5.952,18 thousand refer to subsidiaries provisions regarding existing contracts early terminations costs

5.41 Other long term liabilities

Other long term liabilities mainly refer to the Company's liabilities long-term portion of the deferred purchase price of Olympic Air and additional liabilities of EUR 8.090,57 thousand that occurred from Olympic Air.

5.42 Other short term liabilities

Other short term liabilities refer to the Company's and Group's liabilities to social security organizations and other creditors that are directly related to their trading operation. The analysis is as follows:

	Company		Group	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Deferred income	5.498,71	1.380,90	5.498,71	1.380,90
Social Security Organization	3.397,88	2.741,56	4.679,38	2.741,56
Other short term liabilities	2.109,60	530,21	7.405,38	530,21
Checks outstanding postdated	960,11	327,71	1.187,14	327,71
Customers advances	972,25	790,69	972,25	790,69
Tax – Stamp duty on employees' benefits	3.339,50	1.640,39	3.880,81	1.640,39
Airport taxes and charges	28.928,37	21.041,57	30.194,74	21.041,57
Vat payable	887,82	679,65	887,82	679,65
Payable installment for purchase of subsidiary	10.400,01	0,00	10.400,01	0,00

AEGEAN AIRLINES S.A. amounts in thousand €

Total	**56.494,25**	**29.132,68**	**65.106,24**	**29.132,68**

“Airport taxes & charges” include all the airports taxes and fees. 2012 relevant amount has been adjusted by transferring an amount from “Liabilities from tickets sold but not flown”.

5.43 Liabilities from tickets sold but not flown

Refers to the amount of deferred revenue from tickets sold but not flown until the next period.

5.44 Accrued expenses

Accrued expenses are analyzed as follows:

	Company		Group	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Agents’ commissions	6.658,44	4.672,19	6.937,43	4.672,19
Use of software	118,46	92,93	1.015,64	92,93
Aircraft fuel	68,41	465,10	68,41	465,10
Aircraft maintenance expenses	4.093,45	1.810,45	4.372,38	1.810,45
Landing costs	3.972,10	3.069,90	4.056,40	3.069,90
Eurocontrol charges	382,88	676,00	564,54	676,00
Other fees payable	1.023,24	642,28	1.023,24	642,28
Other expenses	2.172,64	754,23	3.549,18	754,23
Total	**18.489,64**	**12.183,08**	**21.587,24**	**12.183,08**

5.45 Financial Derivatives

	Company		Group	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Financial derivatives (assets)				
Forward contracts in US $ - Cash flow hedging	92,67	2.095,92	92,67	2.095,92
Commodities’ swaps (jet fuel) - Cash flow hedging	2.167,53	50,01	2.167,53	50,01
Receivables from financial derivatives	**2.260,20**	**2.145,93**	**2.260,20**	**2.145,93**
Financial derivatives (liabilities)				
Forward contracts in US $ - Cash flow hedging	3.738,51	1.743,42	3.738,51	1.743,42
Commodities’ swaps (jet fuel) - Cash flow hedging	0	16	0	16
Interest rate swaps - Cash flow hedging	1.515,34	2.823,21	1.515,34	2.823,21
Liabilities from financial derivatives	**5.253,85**	**4.582,64**	**5.253,85**	**4.582,64**

AEGEAN AIRLINES S.A. amounts in thousand €

Financial derivatives are classified either as assets or liabilities. The total fair value of a financial derivative that is qualified as a hedging instrument is classified either as non-current item if the maturity of the hedged item is more than 12 months or as current item if the maturity of the hedged item is less than 12 months.

(a) Forward contracts in US dollars (currency forwards)

The forward contracts are used for cash flow hedging of the risks arising from the movement in US dollar's exchange spot rates. On 31 December 2013, the Company had entered into forward contracts to hedge 31% of its expected needs in US dollars for the period 2014 - 2015 (future transactions).

The nominal amount as at 31.12.2013 of the open forward contracts was € € 208.831,85 thousand.

Maturity	Face Value $,000
2014	240.000,00
2015	48.000,00

(b) Commodity swaps (Jet fuel swaps)

Commodity swaps amounted to contracts for a total quantity of 66 thousand metric tons which account for approximately 26% of the projected jet fuel needs in 2014 (future transactions). The specific derivative contracts are used for cash flow hedging of the risks arising from the increase in the fuel prices.
The nominal value of the open contracts as at 31.12.2013 was € 44.628,56 thousand
For the valuation of the above swaps the forward sensitivity curve of Jet Fuel FOB MED High was used.

(c) Interest rate swaps

Interest rate swaps (IRS) are used as hedging instruments for the cash flow hedging of floating rate financial liabilities for the 49% of the finance leases obligations.
The nominal value of the open IRS contracts as at 31.12.2013 was € 28.286,52 thousand.
For the valuation of the above swaps the forward interest rate sensitivity curve was used.

5.46 Revenue

Revenue refers to proceeds from tickets sales, sales of goods and other services.
Revenue per service category is analyzed as follows:

	Company		Group	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Proceeds from scheduled flights	559.640,74	461.450,27	575.849,35	461.450,27
Proceeds from charter flights	78.808,71	67.811,86	78.808,71	67.811,86
Other operating income	44.233,28	33.595,48	44.258,45	33.595,48
Total	**682.682,72**	**562.857,61**	**698.916,50**	**562.857,61**

5.47 Other income

This category includes revenues created by ancillary activities outside the main operating scope of the Company and the Group. The particular income refers to the following cases:

	Company		Group	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Greek Manpower Employment Organization (OAED) subsidies	4,1076	196,03	4,11	196,03

AEGEAN AIRLINES S.A. amounts in thousand €

Income from services rendered to third parties	5.531,21	4.700,57	8.597,02	4.700,57
Proceeds from sale of aircraft spare parts	0,00	151,88	0,00	151,88
Other income	648,71	0,00	1.645,50	0,00
Total	**6.184,03**	**5.048,48**	**10.246,63**	**5.048,48**

5.48 Consumption of materials and services

These amounts refer to the operating expenses of the Company and the Group and they are analyzed as follows:

	Company		Group	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Aircraft fuel	195.098,93	185.981,94	198.410,87	185.981,94
Aircraft maintenance	47.751,55	47.921,54	49.922,49	47.921,54
Eurocontrol charges	41.382,43	38.594,83	41.935,74	38.594,83
Handling charges	36.507,22	32.574,46	37.936,01	32.574,46
Airport charges	26.940,69	27.243,64	27.601,99	27.243,64
Catering costs	16.739,08	18.147,44	16.892,32	18.147,44
Distribution costs	44.480,98	36.213,79	45.569,40	36.213,79
Marketing costs	7.141,32	5.894,79	7.205,32	5.894,79
Aircraft & spare engines leasing	70.174,47	70.450,58	72.659,61	70.450,58
Inventories' consumption	928,61	890,77	1.694,06	890,77
Other operating expenses	38.210,78	31.173,50	45.773,79	31.173,50
Total	**525.356,00**	**495.087,29**	**545.601,59**	**495.087,29**

The analysis of "Other operating expenses" is the following:

	Company		Group	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Third party fees	2.533,08	4.722,17	6.206,56	4.722,17
Board of Directors remuneration	1.500,00	1.200,00	1.500,00	1.200,00
Cargo expenses	1.054,07	1.010,95	1.056,54	1.010,95
Personnel training	1.656,86	1.260,37	1.704,90	1.260,37
Mail & Telecommunications expenses	1.529,32	1.480,16	2.719,13	1.480,16
Rents	2.475,94	2.999,12	2.731,05	2.999,12
Insurance premiums	2.290,99	2.424,47	2.489,14	2.424,47
Maintenance for building and equipment	1.636,03	1.690,12	1.652,65	1.690,12
Travel expenses	1.642,42	1.376,81	1.792,28	1.376,81
Stationary	1.056,06	771,61	1.100,79	771,61

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Subscriptions	2.097,38	2.045,09	3.102,28	2.045,09
Other overhead costs	18.738,64	10.192,64	19.718,46	10.192,64
Total	**38.210,78**	**31.173,50**	**45.773,78**	**31.173,50**

5.49 Employee Costs

Employee costs include salaries as well as provisions for retirement benefits.

	Company		Group	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Salaries and wages	54.146,66	54.228,59	57.558,03	54.228,59
Employers' contribution	13.881,24	13.754,91	15.165,08	13.754,91
Provision for retirement benefits	1.175,62	1.891,73	1.061,59	1.891,73
Total	**69.203,53**	**69.875,23**	**73.784,71**	**69.875,23**

The number of employees is the following:

	Company		Group	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Employees number	1.459	1.347	1.909	1.347

5.50 Financial income / expense

Financial income / expense analysis is as follows:

	Company		Group	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Interest and expenses from long term liabilities	1.122,59	1.119,98	1.122,59	1.119,98
Interest and expenses from short term liabilities	674,09	891,81	698,67	891,81
Letters of Guarantee commissions	1.016,88	1.207,10	1.026,98	1.207,10
Finance leases interest	621,20	812,62	621,20	812,62
Foreign exchange losses	11.840,64	4.545,89	12.492,85	4.545,89
Other financial expenses	343,67	349,75	442,03	349,75
Total financial expenses	**15.619,06**	**8.927,15**	**16.404,32**	**8.927,15**
Other interest income	3.355,39	2.455,73	3.372,14	2.455,73
Foreign exchange gains	13.282,18	5.630,70	14.005,95	5.630,70
Total financial income	**16.637,57**	**8.086,43**	**17.378,09**	**8.086,43**

5.51 Income tax

Income tax is analyzed below:

	Company		Group	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Current tax	(11.528,45)	1.648,73	(11.528,45)	1.648,73
Deferred tax	(5.750,83)	473,21	(5.787,87)	473,21

AEGEAN AIRLINES S.A. amounts in thousand €

Total tax	**(17.279,27)**	**2.121,94**	**(17.316,35)**	**2.121,94**
Profit /(loss) before taxes	**83.610,00**	**(12.618,40)**	**75.075,47**	**(12.618,40)**
	26%	**20%**	**26%**	**20%**
Tax estimated on existing tax coefficient basis	(21.738,60)	2.523,68	(19.519,62)	2.523,68
Tax on expenses not deductible for tax purposes	(402,14)	(401,74)	(2.658,16)	(401,74)
Effect of change on tax rates	4.861,47	0,00	4.861,47	0,00
Income Tax	**(17.279,27)**	**2.121,94**	**(17.316,31)**	**2.121,94**

The amount of 4,861.47 euros (effect of change in tax rates) is related to income tax (revenue) of the period due to a change in income tax of legal entities from 20% to 26% for the fiscal year 2013.

5.52 Existing encumbrances

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

5.53 Commitments

(a) Operating leases

The operating leases obligations for the Company and the Group arise mainly from leased aircraft and spare engines used

	Company		Group	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Up to 1 year	68.589,86	61.379,27	91.697,10	61.379,27
Between 1 and 5 years	222.692,80	159.605,25	306.964,28	159.605,25
More than 5 years	77.263,57	88.723,69	161.126,35	88.723,69
Total	**368.546,23**	**309.708,21**	**559.787,74**	**309.708,21**

(b) Capital commitments

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

- 2015 2 A320 aircraft
- 2016 3 A320 aircraft

5.54 Contingent assets and liabilities

Legal or in arbitration disputes

There are legal or in arbitration disputes and other contingent future events however they are not expected to have a material effect in the financial position or the operation of the Company and the Group.

Contingent liabilities

Total third party legal claims from the Company amount to € 450,64 thousand, while for the Group amounted to € 1,502,28 thousand.

The Company's management based on previous court decisions as well as on the fact that the trial procedures have not been finalized yet, estimates that their outcome would not have a material impact on its financial position and operation.

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An analysis of the pending legal cases follows:

	Company		Group	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Labor disputes	206,87	160,17	1.179,95	160,17
Accidents	15,00	104,50	79,71	104,50
Other	228,77	324,19	242,62	324,19
Total	**450,64**	**588,86**	**1.502,28**	**588,86**

5.55 Loans

In the current period the Company has full repaid the balance of a bond loan amounting € 12,710.39 and has also repaid the amount of € 7,694.18 which refers to financial leases capital.
Additionally, the subsidiary has fully repaid a loan amounting€ 6.500,00.

5.56 Related parties transactions

The most significant transactions of the Company with related parties according to IAS 24, appear on the following table:

	Company	
Transactions with other companies owned by the major shareholder	**31/12/2013**	**31/12/2012**
Receivables (End of period balance from sale of goods- services)	88,24	58,77
Payables (End of period balance from purchase of goods- services)	200,68	202,84
Income – Services provided from the Company	364,63	311,69
Expenses – Services the Company received	1.697,31	1.686,73
Transactions with subsidiaries		
Receivables (End of period balance from sale of goods- services)	1.699,63	0,00
Payables (End of period balance from purchase of goods- services)	1.417,27	0,00
Income – Services provided from the Company	2.720,45	0,00
Expenses – Services the Company received	5.448,91	0,00

The above transactions with companies owned by the major shareholder of the Company relate mainly to rents and services provided or received. All transactions are on arm’s length basis.

5.57 Transactions with directors and Board of Directors members

Compensation to directors and BoD members is analyzed below:

	Company		Group	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
BoD members fees	1.500,00	1.200,00	1.500,00	1.200,00
Directors’ salaries	2.842,95	1.363,16	3.080,80	1.363,16

AEGEAN AIRLINES S.A. amounts in thousand €

Directors' social insurance expenses	181,03	94,23	234,56	94,23
Benefits in kind and other payments to directors	209,66	234,69	340,25	234,69
Total	**4.733,65**	**2.892,09**	**5.155,62**	**2.892,09**

Compensation to directors and BoD members has been increased due to the variable part of their compensation which is linked to the Company profitability.

There are no other transactions, receivables or liabilities with the directors or the BoD members.

5.58 Earnings per share

Earnings per share were based on the weighted average outstanding number of shares out of the total number of shares and are analyzed as follows:

	Company		Group	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Profit / (loss) before tax	**83.610,00**	**(12.618,40)**	**75.075,47**	**(12.618,40)**
Income tax	(17.279,31)	2.121,94	(17.316,31)	2.121,94
Profit / (loss) after tax	66.330,70	(10.496,46)	57.759,16	(10.496,46)
Attributable to:	71.417.100	71.417.100	71.417.100	71.417.100
Basic earnings / (loss) per share (euros / share)	**0,9288**	**(0,1470)**	**0,8088**	**(0,1470)**

Finally, the compensation of the Company's directors' and Board of Directors' members for the period 1/1-31/12/2013 was € 4.733,65 thousand, while the relevant amount for the Group was €5.155,62 for the same period and as at 31/12/2013 there were no obligations or receivables towards/from the directors' and the Board of Directors' both for the Company and the Group.

5.59 Risk management

The Group is exposed to multiple risks. The risk management policy of the Group aims to reduce the negative impact on outcome resulting from the unpredictability of financial markets and the variations in costs and sales.
The Group uses financial derivative instruments to hedge its exposure to certain types of risk.

The risk management policy is executed by the Financial Department of the Group. The procedure is the following:
• Evaluation of risks associated with the activities and operations of the Group
• Design of a methodology and selection of appropriate financial products to reduce risks
• Execution / implementation, in accordance with the procedure approved by the management

Foreign currency risk
The Group due to the nature of the industry is exposed to variations in foreign currency exchange rate which arise mainly from US Dollar.
This kind of risk arises mainly from transactions in foreign currency. The Group's exposure to foreign exchange risk varies during the period according to the seasonal volume of transactions in foreign currency.
To manage this kind of risk the Group enters into forward currency exchange contracts with financial organizations.

Interest rate risk
The Group's policy is to minimize interest rate cash flow risk exposure on long – term financing.

With relation to the above risk the Group has hedged a portion of its financial leases obligations.

Jet fuel risk

The Group is exposed to the fluctuations of the price of oil which directly influences the price of jet fuel. To manage this risk the Group 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.

The following tables present:

- The sensitivity of the period's result as well as of the equity's if a reasonable movement of +/- 50 basis points in the Euro / USD exchange rate takes place.
- The sensitivity of the period's result as well as of the equity's in a reasonable movement of +/- 10 basis points in the interest rates.

Company 31/12/2013					
	Balance Sheet value	**Foreign exchange risk**		**Interest rate risk**	
		+50 bps	-50 bps	+10 bps	-10 bps
	€000	€000		€000	
Available for sale	17.296,46			(49.81)	50,00
Assets measured at fair value through the Income Statement	(2.993,65)	(2.661,59)	(1.338,35)	(28,76)	(82,17)
Receivables	29.081,97	(752,94)	809,60		
Cash and cash equivalents	25.759,99	(666,94)	717,12		
Liabilities	(72.788,93)	1.884,54	(2.026,33)		
Effect in the income statement after tax		**464,65**	**(499,61)**		
Effect in the statement of total income after tax / equity		**(2.661,59)**	**(1.338,35)**	**(78,41)**	**(32,17)**

Group 31/12/2013					
	Balance Sheet value	**Foreign exchange risk**		**Interest rate risk**	
		+50 bps	-50 bps	+10 bps	-10 bps
	€000	€000		€000	
Available for sale	17.296,46			(49,81)	50,00
Assets measured at fair value through the Income Statement	(2.993,65)	(2.661,59)	(1.338,35)	(28,76)	(82,17)
Receivables	30.013,01	(777,05)	835,51		
Cash and cash equivalents	25.959,74	(672,11)	722,68		
Liabilities	(73.350,68)	1.899,08	(2.041,96)		
Effect in the income statement after tax		**383,29**	**(412,13)**		
Effect in the statement of total income after tax / equity vailable for sale		**(2.661,59)**	**(1.338,35)**	**(78,41)**	**(32,17)**

31/12/2012					
Assets	**Balance Sheet value**	**Foreign exchange risk**		**Interest rate risk**	
		+50 bps	-50 bps	+10 bps	-10 bps
	€000	€000		€000	
Assets measured at fair value through the Income Statement	6.784,37			(17,90)	18,00
Receivables	28.733,12	(839,29)	905,41		
Cash and cash equivalents	5.165,19	(150,87)	162,76		
Hedging derivatives	(2.436,72)	(27,65)	75,39	97,61	(97,61)
Liabilities	(71.619,36)	2.091,99	(2.256,79)		
Effect in the income statement after tax / equity		**1.101,83**	**(1.188,63)**		
Effect in the statement of total income after tax /		**(27,65)**	**75,39**	**79,71**	**(79,61)**

	Fair value hierarchy levels			
31/12/2013		**Level 1**	**Level 2**	**Level 3**
Assets				
Forward contracts in USD	(FWD)			
Jet fuel commodity swaps	(FWD)		92,67	
Interest rate swaps	(IRS)		2.167,53	
Bonds (commercial portfolio)		17.296,46		
Total assets		**17.296,46**	**2.260,20**	
Liabilities				
Forward contracts in USD	(FWD)		(3.738,51)	
Jet fuel commodity swaps	(FWD)		0,00	
Interest rate swaps	(IRS)		(1.515,34)	
Total liabilities			**(5.253,85)**	
Total assets and liabilities		**17.296,46**	**(2.993,65)**	

	Fair value hierarchy levels			
31/12/2012		**Level 1**	**Level 2**	**Level 3**
		€000	€000	€000
Assets				

AEGEAN AIRLINES S.A. amounts in thousand €

Forward contracts in USD	(FWD)		2.095,92	
Jet fuel commodity swaps	(FWD)		50,01	
Interest rate swaps				
Bonds (commercial portfolio)	(IRS)	6.784,37		
Total assets		**6.784,37**	**2.145,93**	
Liabilities				
Forward contracts in USD	(FWD)		(1.743,42)	
Jet fuel commodity swaps	(FWD)		(16,00)	
Interest rate swaps	(IRS)		(2.823,21)	
Total liabilities			**(4.582,64)**	
Total assets and liabilities		**6.784,37**	**(2.436,71)**	

Level 1 values refer to published prices and Level 2 values are based on measurement techniques.

Credit risk

The maximum exposure to credit risk without taking into consideration security deposits and letters of guarantee are:

	Company		Group	
Classes of assets	**31/12/2013**	**31/12/2012**	**31/12/2013**	**31/12/2012**
Cash and cash equivalents	221.547,42	136.799,77	226.876,98	136.799,77
Assets measured at fair value	17.296,46	6.784,37	17.296,46	6.784,37
Receivables from derivative contracts	2.260,20	2.145,93	2.260,20	2.145,93
Trade and other receivables	49.632,02	56.335,36	76.944,55	56.335,36
Total	**290.736,09**	**202.065,43**	**323.378,18**	**202.065,43**

The management considers that all the above financial assets that have not been impaired in previous reporting dates under review are of high credit quality.
In order to be protected against the credit risk, the Group monitors on a regular basis its trading receivables and whenever necessary, assesses the insurance of the receivables collection, mainly through factoring.

Possible credit risk also exists in cash and cash equivalents and in forward contracts. The risk may arise from the possibility of the counterparty becoming unable to meet its obligations towards the Group. To minimize this risk the Group examines regularly its degree of exposure to every individual financial institution. As far as it concerns its deposits the Group is dealing only with reputable financial institutions which have high credit ratings.

Liquidity risk

Liquidity risk is managed effectively by maintaining sufficient cash levels. The Group manages its liquidity by maintaining adequate cash levels as well as ensuring the provision of credit facilities not only from financial institutions but also from suppliers, always in relation to its operating, investing and financing requirements. It is noted that as at 31.12.2013 the Group had a cash position of € 226,88 m. and had also secured an adequate amount of committed credit facilities ensuring the servicing of its short and medium term liabilities.

The financial obligations maturities of the Company as at 31 December 2013 are analyzed as follows:

AEGEAN AIRLINES S.A. amounts in thousand €

31.12.2013	Short term		Long term	
	Within 6 months	6 – 12 months	1-5 years	More than 5 years
Long term bank loans	0,00	0,00	0,00	0,00
Finance lease obligations	4.066,98	4.076,71	34.424,00	19.821,64
Trade payables	38.528,30	1.893,21	0,00	0,00
Other short term liabilities	58.112,92	16.870,97	0,00	0,00
Financial derivatives	1.751,11	1.806,00	181,39	1.515,35
Other long term liabilities	0,00	0,00	30.441,87	0,00
Total	**102.459,32**	**24.646,90**	**65.047,26**	**21.336,99**

The relevant maturities as at 31 December 2012 of the Company are analyzed as follows:

31.12.2012	Short term		Long term	
	Within 6 months	6 – 12 months	1-5 years	More than 5 years
Long term bank loans	2.653,93	2.392,34	8.879,93	0,00
Finance lease obligations	4.112,89	4.181,73	35.120,78	30.048,37
Trade payables	46.718,83	0,00	1.750,84	0,00
Other short term liabilities	39.849,08	1.466,69	0,00	0,00
Financial derivatives	874,71	884,73	0,00	2.823,21
Total	**94.209,45**	**8.925,48**	**45.751,55**	**32.871,59**

The financial obligations maturities of the Group as at 31 December 2013 are analyzed as follows:

31.12.2013	Short term		Long term	
	Within 6 months	6 – 12 months	1-5 years	More than 5 years
Long term bank loans	0,00	0,00	0,00	0,00
Finance lease obligations	4.066,98	4.076,71	34.424,00	19.821,64
Trade payables	50.140,73	2.359,00	1.065,47	0,00
Other short term liabilities	69.822,51	16.870,97	0,00	0,00
Financial derivatives	1.751,11	1.806,00	181,39	1.515,35
Other long term obligations	0,00	0,00	42.044,23	0,00
Total	**125.781,34**	**21.600,85**	**77.715,09**	**21.336,99**

The relevant maturities as at 31 December 2012 of the Group are analyzed as follows:

31.12.2012	Short term		Long term	
	Within 6 months	6 – 12 months	1 -5 years	More than 5 years
Long term bank loans	2.653,93	2.392,34	8.879,93	0,00

AEGEAN AIRLINES S.A. amounts in thousand €

Finance lease obligations	4.112,89	4.181,73	35.120,78	30.048,37
Trade payables	46.718,83	0,00	1.750,84	0,00
Other short term obligations	39.849,08	1.466,69	0,00	0,00
Financial derivatives	874,71	884,73	0,00	2.823,21
Total	**94.209,45**	**8.925,48**	**45.751,55**	**32.871,59**

The above periods' maturities reflect the gross cash flows.

Policies and procedures on capital management
Primary target of the capital management is to ensure preservation of the high ranking credit rating as well as solid equity ratios so as to support and expand the operations and maximize shareholders' value.

The Company monitors managed capital based on shareholders' total equity plus subordinated loans less cash and cash equivalents as they appear on the balance sheet.

Managed capital for 2013 and 2012 financial periods is analyzed as follows:

	Company		**Group**	
	2013	**2012**	**2013**	**2012**
Shareholders' total equity	221.448,82	154.370,39	212.877,24	154.370,39
Plus: Loans	59.049,03	82.125,68	59.049,03	82.125,68
Less: Cash and cash equivalents	(221.547,42)	(143.584,15)	(226.876,98)	(143.584,15)
Managed capital	**58.950,43**	**92.911,93**	**45.049,29**	**92.911,93**
Shareholders' total equity	221.448,82	154.370,39	212.877,24	154.370,39
Plus: Loans	59.049,03	82.125,68	59.049,03	82.125,68
Total capital	**280.497,85**	**236.496,07**	**271.926,27**	**236.496,07**
Managed capital / Total capital ratio:	**0,21**	**0,39**	**0,17**	**0,39**

The Company's target is to maintain the above ratio of "managed capital" (as defined above) over "total capital" (equity plus loans) less than 0.50.

According to the existing legislation, specific provisions exist regarding the capital adequacy. (Article No 47 Law 2190/20). The Company complies fully with them.

5.60 Other events

(a) On 22/10/2012 Aegean Airlines has signed a preliminary agreement with Marfin Investment Group for the acquisition of 100% of Olympic Air. The transaction was conditional upon the approval of the European Competition Commission which was granted on 09th October 2013.
The execution of the final agreement and the transfer of the shares took place on 23th October 2013.
Upon completion of the transaction Olympic Air constitutes a subsidiary of Aegean Airlines S.A. and the consolidation of the administrative services shall commerce immediately, aiming at yielding the necessary synergies whilst targeting a more efficient fleet utilization and network planning of the two companies. The two airlines will each preserve their name and brand, as well as distinct flying operations and fleet.

The consideration was agreed to be paid as follows:

Upon the signing of the Preliminary Agreement, dated October 22nd 2012, the amount of twenty million (€20,000,000) Euros was paid. The remaining consideration, amounting to fifty two million and sixty Euros (€52,000,060) was agreed to be paid in five equal annual installments, out of which the first was paid upon the signing of the definitive agreement on the sale and purchase of shares, dated October 23rd 2013, whereas the remaining four (4) equal installments will be paid as follows: on 15.10.2014 the second one, on 15.10.2015 the third one, on 14.10.2016 the fourth one and on 16.10.2017 the fifth one.

AEGEAN A STAR ALLIANCE MEMBER AEGEAN AIRLINES S.A. amounts in thousand €

The above mentioned amount was discounted with 11,47% interest rate (Company WACC) and the consideration amount booked was €62.416,56.

The provisional values of net assets and the related goodwill (goodwill) at the date of acquisition (23/10/2013) are as follows:

Assets	**Value**
Tangible assets	3.456,26
Intangible assets	29.586,70
Deferred tax assets	10.021,00
Inventories	5.290,00
Receivables	39.549,30
Cash and cash equivalents	18.851,00
Other long term liabilities	(6.145,00)
Short term liabilities	(6.441,00)
Other short term liabilities	(47.817,00)
Provisions	(11.241,00)
Total assets	**35.110,26**
Cost of acquisition	**62.416,56**
Goodwill	**27.306,30**

Subsidiary revenue which is included in the Group Financial Statements since (since its acquisition) amount to €20.296,38 and the relevant Loss before Tax is €8.534,53. Due to the expected restructuring of the subsidiary, the relevant amounts cannot be estimated on an annual basis.
The resulting goodwill was included temporarily in the Group's cash flow statement, was audited for impairment on 31 December 2013 and there was no impairment loss.

The fair values of the individual assets and liabilities at the acquisition, will be finalized until 30.06.2014, date on which adjustments may occur, both in individual items, and the resulting goodwill. These values are not specified in these financial statements due to other priorities set by the management, involving operational and administrative matters and restructuring of the acquired subsidiary.

(b) The Company's Board of Directors decided at its meeting on 18/2/2014, inter alia, the convening of an Extraordinary General Shareholders Meeting on Friday, 14th March 2014 in order to discuss and take decisions on the increase of share capital by the amount of 71,417,100 Euros, with capitalization of part of "difference from share premium" and by increasing the nominal value of each share of the Company by 1.00 Euro (from 0.65 Euro to 1.65 Euro) and at the same time to decide the reduction of share capital by the amount of 71,417,100 Euros, by reducing the nominal value of each share of the Company by 1.00 Euro (from 1.65 Euro to 0.65 Euro) and the return - payment of the relevant amount to the Company's shareholders.

(c) According to the new tax legislation (valid from the beginning of 2013), tax on dividends has been reduced form 25% to 10% for profits that will be distributed based on General Assemblies resolutions after 01.01.2014.

AEGEAN AIRLINES S.A. amounts in thousand €

5.61 Auditor's remuneration

Auditors' remuneration for the period 2013 was € 79.00 thousand. This remuneration includes the financial audit and the provision of tax certificate for the fiscal year 2013 according to the article 82 par. 5 of Law 2238/2004 and the Circular 1159/26.07.2001. Except the above mentioned services there were no other services provided.

The annual Financial Statements for the period of 2012 have been approved by the Board of Directors of "Aegean Airlines S.A." on 27.02.2014 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, February 27th 2014

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

E) Figures and Information for the period 01.01.2013 – 31.12.2013

AEGEAN A STAR ALLIANCE MEMBER

AEGEAN AIRLINES S. A.

SUMMARY FINANCIAL DATA AND INFORMATION FOR THE PERIOD FROM 1 JANUARY 2013 TO 31 DECEMBER 2013

(According to the Law 2190/20 art. 135 for Companies publishing their Annual Consolidated and Non Consolidated Financial Statements in accordance to the International Accounting Standards)

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 are posted. (Amounts in thousand €)

COMPANY INFORMATION :

Address of head offices	: Viltanioti 31, 145 64 Kifisia
Societe Anonyme Reg. No.	: 32603/06/B/95/3 - Reg. Nr 1797901000
Supervising Authority	: Ministry of Development
Website address	: www.aegeanair.com
Date of Approval of Financial Statements	: 27 February 2014
Certified Auditors	: ECOVIS HELLAS S.A. (Reg.No. 155)
Audit Firm	: Michalis Zacharioudakis (Reg.No. 13191)
Type of Auditors' Audit Report	: Unqualified

Board of Directors

President - Executive Member	: Theodore Vasilakis
Vice President - Executive Member	: Eftichios Vassilakis
CEO - Executive Member	: Dimitrios Gerogiannis
Non Executive Member	: George Vassilakis
Non Executive Member	: Achilleas Constantakopoulos
Non Executive Member	: Anastasios David
Non Executive Member	: Iakovos Georganas
Non Executive Member	: Christos Ioannou
Non Executive Member	: Panagiotis Laskarides
Non Executive Independent Member	: Alexandros Makrides
Non Executive Member	: Nikolaos Georgios Nanopoulos
Non Executive Independent Member	: Victor Pizante

FINANCIAL POSITION

	Company		Group	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
ASSETS				
Tangible assets	78.768,50	89.240,61	81.004,81	89.240,61
Investments in subsidaries	62.416,56	0,00	0,00	0,00
Goodowill	0,00	0,00	27.306,30	0,00
Intagible assets	27.056,49	26.791,31	56.387,44	26.791,31
Other non current assets	41.120,03	65.736,20	57.513,69	65.736,20
Inventories	5.961,65	5.331,19	10.951,28	5.331,19
Customers and other trade receivables	49.632,02	47.089,63	76.944,55	47.089,63
Other current assets	244.195,59	162.680,08	251.248,08	162.680,08
TOTAL ASSETS	**509.150,84**	**396.869,01**	**561.356,15**	**396.869,01**
EQUITY AND LIABILITIES				
Share capital	46.421,11	46.421,11	46.421,11	46.421,11
Additional paid-in capital and reserves	175.027,75	107.949,29	166.456,13	107.949,29
Total shareholders' equity (a)	**221.448,86**	**154.370,39**	**212.877,24**	**154.370,39**
Loan long term liabilities	0,00	8.340,00	0,00	8.340,00
Provisions and other long term liabilities	116.264,22	99.967,42	133.642,64	99.967,42
Short term bank loans	0,00	4.370,39	0,00	4.370,39
Other short term liabilities	171.437,76	129.820,81	214.836,27	129.820,81
Total liabilities (b)	**287.701,98**	**242.498,62**	**348.478,91**	**242.498,62**
EQUITY AND LIABILITIES (c) = (a) + (b)	**509.150,84**	**396.869,01**	**561.356,15**	**396.869,01**

STATEMENT OF COMPREHENSIVE INCOME

	Company		Group	
	01/01-31/12/2013	01/01-31/12/2012	01/01-31/12/2013	01/01-31/12/2012
Revenue	682.682,72	562.857,61	698.916,50	562.857,61
Operating profit / (loss)	113.055,80	21.308,56	105.791,64	21.308,56
Profit / (loss) before tax, financing and investing results	82.591,50	(8.878,61)	77.690,48	(8.878,61)
Profit / (loss) before tax	**83.610,00**	**(12.618,40)**	**75.075,47**	**(12.618,40)**
Income tax	(17.279,27)	2.121,94	(17.316,31)	2.121,94
Profit / (loss) after tax (a)	**66.330,73**	**(10.496,46)**	**57.759,15**	**(10.496,46)**
Other Total Comprehensive Income / (expense) (b)	747,71	(5.981,88)	747,71	(5.981,88)
Total Comprehensive Income (c) = (a)+(b)	**67.078,44**	**(16.478,34)**	**58.506,86**	**(16.478,34)**
Basic (after taxes) earnings per share in €	0,9288	(0,1470)	0,8088	(0,1470)
Profit / (loss) before tax, financing, investing results and depreci:	94.307,22	2.943,57	89.776,83	2.943,57

STATEMENT OF CHANGES IN EQUITY

	Company		Group	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Equity balance at the year's beginning (1.1.2013 &1.1.2012 respectively)	154.370,39	169.318,95	154.370,39	154.370,39
Effect due to change of accounting policy (IFRS 19)	0,00	1.529,78	0,00	0,00
Total comprehensive income after tax	67.078,44	(16.478,34)	58.506,85	58.506,85
Balance as of end of period (31.12.2013 & 31.12.2012 respectively)	**221.448,86**	**154.370,39**	**212.877,24**	**154.370,39**

CASHFLOW STATEMENT

	Company		Group	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Operating activities				
Profit / (loss) before taxes	**83.610,00**	**(12.618,40)**	**75.075,46**	**(12.618,40)**
Plus / less adjustments for:				
Depreciation	11.715,72	11.822,17	12.086,36	11.822,17
Provisions	(7.333,72)	1.955,14	1.631,93	1.955,14
Foreign exchange differences	(3.123,62)	(2.409,18)	(3.195,28)	(2.409,18)
Impairment of tangible assets	-	-	1.166,76	-
(Profit) / loss from investing activities	(3.359,17)	(2.454,98)	(3.524,78)	(2.454,98)
Finance Cost	3.778,42	4.381,26	3.911,46	4.381,26
Cash flows from operating activities before changes in working capital				
(Increase) / Decrease in inventories	(630,46)	643,94	(117,71)	643,94
(Increase) / Decrease in trade & other receivables	1.087,81	11.520,06	2.343,69	11.520,06
(Increase) / Decrease in derivative receivables	(114,27)	5.325,31	(114,27)	5.325,31
Increase / (Decrease) in payables (other than banks)	27.546,58	6.516,14	17.087,70	6.516,14
Increase / (Decrease) in derivatives liabilities	1.503,82	(3.923,31)	1.503,82	(3.923,31)
Interest expenses paid	(2.896,31)	(3.334,05)	(3.037,35)	(3.334,05)
Net cash flows from operating activities (a)	**111.784,79**	**17.424,10**	**104.817,78**	**17.424,10**
Investing Activities				
Purchases of assets	(1.516,94)	(1.920,24)	(1.587,59)	(1.920,24)
Sales of tangible & intangible assets	21,88	186,85	21,87	186,85
Downpayments for purchases of tangible assets	(1.040,50)	-	(1.040,50)	-
Downpayments for investing activities	-	(20.000,00)	-	(20.000,00)
Sales of subsidary	(10.400,01)	-	(10.400,01)	-
Cash of subsidary	-	-	18.850,47	-
Proceeds from sale of investments (shares)	(8.830,00)	-	(8.830,00)	-
Interest and other financial income received	2.633,01	2.153,44	2.649,76	2.153,44
Net cash flows from investing activities (b)	**(19.132,58)**	**(19.579,96)**	**(336,01)**	**(19.579,96)**
Financing Activities				
Loans' repayments	(12.710,39)	(7.524,92)	(19.210,39)	(7.524,92)
Changes in finance lease capital	(7.694,18)	(7.820,38)	(7.694,18)	(7.820,38)
Net cash flows from financing activities (c)	**20.404,57**	**15.345,30**	**26.904,57**	**15.345,30**
Net increase / (decrease) in cash and cash equivalents (a)+(b)+(c)	**72.247,64**	**(17.501,17)**	**77.577,20**	**(17.501,17)**
Cash and cash equivalents at the beginning of the period	**149.299,77**	**166.800,94**	**149.299,77**	**166.800,94**
Cash and cash equivalents at the end of the period	**221.547,42**	**149.299,77**	**226.876,98**	**149.299,77**

ADDITIONAL DATA & INFORMATION

1 . The following companies are included in the consolidated financial statements :

Name	Country	% of ownersip	Consolidation method
AEGEAN AIRLINES S.A.	GREECE	Parent	
OLYMPIC AIR A.E.	GREECE	100%	Full

2. The Company hasn't been audited by the tax authorities for the fiscal years 2012 and 2013
In December 2013 the Company's tax audit for the fiscal years 2007 – 2011 has been finalized. The outcome of the tax audit (taxes, fees and surcharges) was € 2,413 thousand. The Company has appealed to the committee of Article 70B of Law 2238/1994, disputing significant amounts of the above mentioned taxes & surcharges,therefore the amount of the additional taxes, fees and surcharges will not affect the 2013 income statement.
The Company has already formed a tax provision for the above mentioned fiscal years of € 1,400 thousand.
The subsidiary Olympic Air has not been tax audited for the fiscal years 2009 till 2013.(See Note 5.40a of the Financial statements)

3. Apart from the above provision (par.2), the Company has made an additional provision of € 25.475,12 thousand related to future obligations for the maintenance of its aircraft (See Note 5.40b of the Financial Statements), The relevant provision for the Group was €34.412,83 thousand. Additionally the Group has made restructuring costs provisions amounting €5.952,18 thousand

4. There are no pending judicial cases or court decisions, which may have a material impact on the financial operations of the Company or the Group. The Company has not formed any provisions as such.

5. The total number of employees as at 31/12/2013 was 1.459 for the Company and 1.909 for the Group and as at 31/12/2012 was 1.347 for both the Company and the Group

6. The company does not hold own shares at the end of the current period.

7. On 23/10/2013 Aegean Airlines and Marfin Investment Group have finalized the transaction regarding the acquisition of 100% of Olympic Air. Upon completion of the transaction Olympic Air constitutes a subsidiary of Aegean Airlines S.A. therefore the results of Olympic Air were consolidated only for the last two months of the year.

8. The Company's Board of Directors decided at its meeting on 18/2/2014, inter alia, the convening of an Extraordinary General Shareholders Meeting on Friday, 14th March 2014 in order to discuss and take decisions on the increase of share capital by the amount of 71,417,100 Euros, with capitalization of part of "difference from share premium" and by increasing the nominal value of each share of the Company by 1.00 Euro (from 0.65 Euro to 1.65 Euro) and at the same time to decide the reduction of share capital by the amount of 71,417,100 Euros, by reducing the nominal value of each share of the Company by 1.00 Euro (from 1.65 Euro to 0.65 Euro) and the return - payment of the relevant amount to the Company's shareholders.(See Note 5.60.b of the Financial statements)

9. IAS 19 was modified, therefore the statement of total income, equity and provision for retirement benefits were modified for the previous period. Additionally the booking of airport fees was deducted from revenue. This change had no impact on equityand Statement of comprehensive income of the Company.(see Notes 5.3 - 5.4)

Amounts in thousand €

	Company	Group
a) Revenue	3.085,08	364,63
b) Expenses	7.146,22	1.697,31
c) Receivables - Deposits	1.787,87	88,24
d) Payables	1.617,95	200,68
e) Management's and Board of Directors' remuneration	4.733,65	5.155,62
f) Payables to Management and Board of Directors	0,00	0,00
g) Receivables from Management and Board of Directors	0,00	0,00

11. The statement of total income are analyzed as follows :

Amounts in thousand €	Company		Group	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
(a) Transferred in income statement :				
Reclassification of (profit) / loss in the result for the period	3.193,54	(5.254,37)	3.193,54	(5.254,37)
Profit / (loss) for the period	(3.750,47)	(1.755,62)	(3.750,47)	(1.755,62)
Available for sale financial assets	1.682,08	-	1.682,08	-
Income tax	(292,55)	1.401,99	(292,55)	1.401,99
total (a)	**832,61**	**(5.608,01)**	**832,61**	**(5.608,01)**
(b) Non transferred in income statement				
Profit / (loss) for the employee retirement benefits	(114,70)	(466,84)	(114,70)	(466,84)
Deffered tax	29,80	92,97	29,80	92,97
total (b)	**(84,90)**	**(373,87)**	**(84,90)**	**(373,87)**
Other comprehensive income for the period after taxes	**747,71**	**(5.981,88)**	**747,71**	**(5.981,88)**

Athens, February 27th 2014

Chairman of the BoD	**Chief Executive Officer**
Vassilakis Theodoros	**Gerogiannis Dimitrios**
Chief Financial Officer	**Head of Accounting Dept**
Kouveliotis Michalis	**Zannaki Maria**

AEGEAN A STAR ALLIANCE MEMBER AEGEAN AIRLINES S.A. amounts in thousand €

F. Company announcements as per Art.10 Law 3401/2005 published during fiscal year 2013

Aegean Airlines had disclosed the following information over the period beginning 01/01/2013 and ending 31/12/2013, which are posted on the Company's website (www.aegeanair.com) as well as the website of Athens Exchange (www.athex.gr) and www.helex.gr.

Date	Subject	Link
23/12/2013	Announcement of Regulated Information according to Law 3556/2007	http://en.aegeanair.com/files/1/Content/Announcements/2013/122313_TR1Evertans_en.pdf
20/12/2013	Change in the composition of the Board of Directors	http://en.aegeanair.com/files/1/Content/Announcements/2013/122013_BoDAudit_en.pdf
9/12/2013	Conclusion of tax audit	http://en.aegeanair.com/files/1/Content/Announcements/2013/120913_tax_en.pdf
29/11/2013	Nine month 2013 Results	http://en.aegeanair.com/files/1/Content/IR_Annual_Reports/112913_9M2013press_en.pdf
22/11/2013	Publication date of Nine Month 2013 financial results	http://en.aegeanair.com/files/1/Content/Announcements/2013/112213_9M13date_en.pdf
14/11/2013	Release of Prospectus	http://en.aegeanair.com/files/1/Content/Announcements/2013/111413_Prospectus_en.pdf
25/10/2013	Shareholder Voting Rights Percentage Change Pursuant to the Law 3556/2007	http://en.aegeanair.com/files/1/Content/IR_Entypo_Gnvstopoihshs/102513_TR1_en.pdf
23/10/2013	Aegean completes acquisition of Olympic Air	http://en.aegeanair.com/files/1/Content/Announcements/2013/102313_acquisition_en.pdf
9/10/2013	European Commission approves acquisition of Olympic Air	http://en.aegeanair.com/files/1/Content/Announcements/2013/100913_ECapproval_en.pdf
5/9/2013	Comment on press reports	http://en.aegeanair.com/files/1/Content/Announcements/2013/090513_press_en.pdf
30/8/2013	First Half 2013 Results	http://en.aegeanair.com/files/1/Content/IR_Annual_Reports/083013_1H2013press_en.pdf
27/8/2013	Publication date of First Half 2013 financial results	http://en.aegeanair.com/files/1/Content/Announcements/2013/082713_1H13date_en.pd
18/6/2013	Decisions of the Ordinary General Shareholders Meeting	http://en.aegeanair.com/files/1/Content/IR_Syneleuseis/AGM_DECISIONS_en13.pdf
13/6/2013	Shareholder Voting Rights Percentage Change Pursuant to the Law 3556/2077	http://en.aegeanair.com/files/1/Content/IR_Syneleuseis/AGM_DECISIONS_en13.pdf
12/6/2013	Draft amendment of articles of association	http://en.aegeanair.com/files/1/Content/Announcements/2013/Draft%20amendment_en13.pdf
27/5/2013	First Quarter 2013 Results	http://en.aegeanair.com/files/1/Content/Announcements/2013/052713_1Q2013press_en.pdf
27/5/2013	Pre-announcement of the Ordinary	http://en.aegeanair.com/investor-

amounts in thousand €

	General Shareholders Meeting	relations/announcements/?ff=2013
24/5/2013	Publication date of First Quarter 2013 financial results	http://en.aegeanair.com/files/1/Content/Transactions/2013/052413_3556_EN.pdf
12/4/2013	Comment on European Commission's investigation of the notified concentration	http://en.aegeanair.com/files/1/Content/Announcements/2013/041213%20DG%20Comp_en.pdf
28/3/2013	2012 Financial Results	http://en.aegeanair.com/files/1/Content/IR_Annual_Reports/032813_2012press_en.pdf
28/3/2013	Response to Hellenic Capital Market Commission Letter	http://en.aegeanair.com/files/1/Content/Announcements/2013/032813_HCMC_en.pdf
27/3/2013	Financial Calendar 2013	http://en.aegeanair.com/files/1/Content/Announcements/2013/032813_HCMC_en.pdf
26/3/2013	Financial Calendar 2013	http://en.aegeanair.com/files/1/Content/Announcements/2013/032613_Calendar_en.pdf

In addition, in the following page: http://en.aegeanair.com/investor-relations/announcements/trade-acknowledgements/ as well as on Athens Exchange website www.athex.gr & www.helex.gr announcements of regulated information in accordance with Law 3556/2007 (Insiders transactions according to article 13 of Law 3340/2005 & Significant changes in voting rights according to Law 3556/2007) were posted on the following dates:

1	24/12/2013	11	6/9/2013	21	26/7/2013	31	27/6/2013	41	28/5/2013
2	20/12/2013	12	4/9/2013	22	25/7/2013	32	25/6/2013	42	24/5/2013
3	28/11/2013	13	22/8/2013	23	23/7/2013	33	21/6/2013	43	22/5/2013
4	13/11/2013	14	21/8/2013	24	22/7/2013	34	17/6/2013	44	20/5/2013
5	1/11/2013	15	19/8/2013	25	18/7/2013	35	13/6/2013	45	16/5/2013
6	31/10/2013	16	14/8/2013	26	15/7/2013	36	11/6/2013	46	14/5/2013
7	25/10/2013	17	13/8/2013	27	10/7/2013	37	6/6/2013	47	10/5/2013
8	17/9/2013	18	9/8/2013	28	5/7/2013	38	5/6/2013		
9	10/9/2013	19	6/8/2013	29	4/7/2013	39	4/6/2013		
10	9/9/2013	20	1/8/2013	30	1/7/2013	40	30/5/2013		

G. Website for the publication of the Annual Financial Statements

The Company's financial statements, the independent auditors' report and the Board of Directors' report for the annual period ended on 31.12.2013 are posted on the Company's website www.aegeanair.com