



Year 2008 Results Review

11 March 2009

**Revenue rises 27% to €611.7m
EBITDAR improves 23% to €102.2m**

Key highlights for 2008

- Turnover increased 27% to €611.7m from €482.7m
- Total passengers served reached 6m, +14% above 2007 (+24% international, +9% domestic y-o-y growth)
- Scheduled services load factor at 70%, matching prior year's, with 8% larger average capacity per aircraft flown
- RASK increased 4%, despite a 7% increase in average stage length, reflecting improved revenue management, the effect from fuel surcharges and the gradual maturity of routes opened in previous years
- CASK (excl fuel) fell 2%, including fuel 5% above prior year.
- Fuel costs rose 54%, burdening profits by extra €52m
- EBITDAR rose 23% at €102.2m from €83.1m, despite the dramatic increase in fuel bill
- EBITDA increased 22% to €57.5m from €47.1m
- Pre-tax earnings at €39.9m (-10% y-o-y) - Net earnings for the period at €29.5m (-18% y-o-y)
- Proposed Dividend Per Share at €0.25 for Fiscal 2008
- USD and fuel hedges net negative impact of €19.2m (€11.4m burdening operating profit and €8m included in financial results) versus negative €4.3m in 2007

Key highlights for the fourth quarter 2008

- Turnover increased 28% to €143.5m from €112.2m
- EBITDAR rose 83% to €18.4m from €10.0m

Aegean Airlines Results for the Full Year 2008

- EBITDA improves to €6.0m from €1.3m
- Net earnings after tax at €3.0m from €2.4m
- 19% more passengers flown in the fourth quarter, reaching 1.4 million on improved load factor

Dimitris Gerogiannis, Managing Director, commented:

'AEGEAN announces a rise in revenue, operating profit and cash flows and a limited fall in net earnings for 2008, thus managing to secure its healthy financial position despite the dramatic rise in fuel costs.

Inevitably, prospects for 2009 will be affected by current unfavourable business environment, the slowdown in economic activity and consequently expected reduced demand for transportation in both domestic and international markets. Under current challenging circumstances, management will focus its efforts in the healthy financial structure of the company while continuing to develop the product and brand. Despite challenging economic conditions, we are confident that AEGEAN has developed strong fundamentals, strong financial structure and necessary flexibility that allow us to cope in the best possible way with current conditions.'

Financial information in this announcement is presented on the basis of International Financial Reporting Standards ('IFRS') and is available on our website: www.aegeanair.com.

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Aegean Airlines at a glance

| In € millions (Cons) | Jan - Dec 2007 | Jan - Dec 2008 | Change In % |
|--|-------------------|-------------------|----------------|
| Revenue | 482.7 | 611.7 | 27% |
| EBITDAR | 83.1 | 102.2 | 23% |
| EBITDA | 47.1 | 57.5 | 22% |
| EBIT | 42.9 | 50.2 | 17% |
| Pre-tax earnings for the period | 44.6 | 39.9 | -10% |
| Net earnings for the period | 35.8 | 29.5 | -18% |
| Total number of passengers (in thousands) | 5,226 | 5,978 | 14% |
| Average passengers per flight | 96 | 104 | 9% |
| Load factor - Scheduled services (RPK/ASK) | 69.5% | 69.5% | |
| Load factor - Scheduled services (Pax/AVS) | 69.2% | 69.7% | |
| Average Fare (Scheduled - €) | 78.9 | 87.5 | 11% |
| Average sector length (km) | 639 | 683 | 7% |
| RASK (Revenue per ASK, in € cents) | 9.4 | 9.8 | 4% |
| Yield (Revenue per RPK, in € cents) | 13.4 | 14.0 | 5% |
| CASK (EBITDAR level, in € cents) | 7.8 | 8.2 | 5% |
| CASK excl fuel (EBITDAR level, in € cents) | 5.9 | 5.8 | -2% |
| CASK (EBT level, in € cents) | 8.6 | 9.2 | 7% |
| CASK excl fuel (EBT level, in € cents) | 6.7 | 6.8 | 2% |

Overview

AEGEAN continued its expansion path and managed to report solid financial performance for 2008 amid challenging conditions for the airline sector created by the rise of oil prices to unprecedented levels until the third quarter of 2008 as well as deteriorating economic conditions.

More specifically, AEGEAN carried 6 million passengers in 2008, achieving a 14% y-o-y growth. The Company carried 3.7m passengers on domestic flights, ie. 9% more compared to 2007 while the number of passengers carried in the international network increased by 24% to 2.3m passengers.

Revenue rose by 27% to €611.7m, resulting from the significant rise achieved in the international traffic and high load factors sustained in both domestic and international network. The Company's profitability was negatively impacted by the 54% rise in fuel costs that reached €148m. Nevertheless, EBITDA increased by 22% to €57.5m, despite the dramatic increase in fuel costs, as a result of increased revenue, the benefits that gradually unfold from the fleet renewal and scale economies stemming from larger aircraft and the rise in average passenger per flight. Net earnings after tax were 18% lower at €26.5m, mainly due to foreign exchange differences and a negative net result from hedging.

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More specifically, results were burdened by total fuel and US dollar hedging losses of €19.3m, of which €11.3m burdened operating results and €8m were included in financial expenses.

Interest income reached €8.5m from €3.5m, as a result of higher cash and cash equivalents and higher returns earned from time deposits during the last quarter, while interest expense relating to bank loans and financial lease liabilities stood at €3.9m from €3.6m. Other financial results also include net FX losses of €8.7m resulting mainly from the valuation of liabilities (bank loans and finance lease) and the return of aircraft pre-delivery payments.

Operating figures

| | Jan - Dec 2007 | Jan - Dec 2008 | Change In % |
|--|-------------------|-------------------|----------------|
| Capacity | | | |
| Number of aircraft (at period end) | 23 | 29 | 26% |
| Avg number of aircraft | 23 | 27 | 14% |
| Avg number of aircraft in operation (excl A/C in redelivery process) | 23 | 26 | 11% |
| ASKs (in millions) | 5,109 | 6,216 | 22% |
| Total available seats (000) | 7,511 | 8,543 | 14% |
| Total Block Hours | 72,552 | 80,339 | 11% |
| Total Sectors Flown | 54,708 | 57,635 | 5% |
| Average capacity per flight | 137 | 148 | 8% |
| Average sector length (km) | 639 | 683 | 7% |
| Passengers (000) | | | |
| By type of service : | | | |
| Schedule passengers | 4,735 | 5,384 | 14% |
| Charter passengers | 491 | 595 | 21% |
| By network : | | | |
| Domestic | 3,356 | 3,667 | 9% |
| International | 1,870 | 2,311 | 24% |
| Total number of passengers | 5,226 | 5,978 | 14% |
| RPKs (in millions) | 3,597 | 4,356 | 21% |
| Pax/flight | 96 | 104 | 9% |
| Load factor - Scheduled (Pax/AVS) | 69.2% | 69.7% | 0.6pp |
| Load factor - Scheduled (RPK/ASK) | 69.5% | 69.5% | 0.0pp |

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Profit & Loss account

| In € millions (Cons) | Jan - Dec 2007 | Jan - Dec 2008 | Change In % |
|---|-------------------|-------------------|----------------|
| Revenue | | | |
| Scheduled Services | 373.6 | 471.0 | 26% |
| Charter | 46.1 | 62.6 | 36% |
| Other (cargo, service charge, executive aviation) | 20.2 | 25.3 | 25% |
| Airport charges | 42.8 | 52.9 | 23% |
| Total revenue | 482.7 | 611.7 | 27% |
| Other operating income* | 2.3 | 7.7 | 236% |
| Employee benefits | (65.3) | (74.8) | 15% |
| Aircraft fuel | (95.9) | (147.9) | 54% |
| Aircraft maintenance | (58.8) | (66.8) | 14% |
| Overflight expenses | (19.5) | (22.7) | 16% |
| Ground handling expenses | (15.0) | (16.5) | 11% |
| Airport charges | (68.2) | (82.8) | 21% |
| Catering expenses | (13.1) | (15.0) | 14% |
| Distribution expenses | (31.6) | (42.0) | 33% |
| Marketing and advertising expenses | (3.9) | (7.1) | 81% |
| Inventories consumption | (0.9) | (0.9) | 2% |
| Other operating expenses* | (29.7) | (40.6) | 37% |
| EBITDAR | 83.1 | 102.2 | 23% |
| EBITDAR margin | 17.2% | 16.7% | |
| Aircraft leases | (36.1) | (44.7) | 24% |
| EBITDA | 47.1 | 57.5 | 22% |
| Depreciation | (4.1) | (7.3) | 76% |
| EBIT | 42.9 | 50.2 | 17% |
| EBIT margin | 8.9% | 8.2% | |
| Net interest income / (expense) | (0.1) | 4.6 | |
| Other net financial gain / (loss) | 1.8 | (14.9) | |
| EBT | 44.6 | 39.9 | -10% |
| EBT margin | 9.2% | 6.5% | |
| Income Tax | (8.8) | (10.5) | |
| Net earnings after tax and minority interest | 35.8 | 29.5 | -18% |

*An amount of €5.8m was recorded on other operating income and other operating expenses without affecting profits and relates to BFEs (Buyer Furnished Equipment).

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Key performance Indicators

| In € cents | Jan - Dec 2007 | Jan - Dec 2008 | Change In % |
|--|-------------------|-------------------|----------------|
| Passenger Yield (Revenue per RPK) | 13.4 | 14.0 | 5% |
| RASK (Revenue per ASK) | 9.4 | 9.8 | 4% |
| CASK - EBITDAR level | 7.8 | 8.2 | 5% |
| CASK - EBT level | 8.6 | 9.2 | 7% |
| CASK - EBITDAR level (excl fuel) | 5.9 | 5.8 | -2% |
| CASK - EBT level (excl fuel) | 6.7 | 6.8 | 2% |
| Avg fare (Scheduled - €) | 78.9 | 87.5 | 11% |
| Expenses per ASK (€ cents) | | | |
| Employee benefits | 1.28 | 1.20 | -6% |
| Aircraft fuel | 1.88 | 2.38 | 27% |
| Depreciation | 0.08 | 0.12 | 45% |
| Aircraft leases | 0.71 | 0.72 | 2% |
| Aircraft maintenance | 1.15 | 1.07 | -7% |
| Overflight expenses | 0.38 | 0.36 | -4% |
| Ground handling expenses | 0.29 | 0.27 | -9% |
| Airport charges | 1.33 | 1.33 | 0% |
| Catering expenses | 0.26 | 0.24 | -6% |
| Distribution expenses | 0.62 | 0.68 | 9% |
| Marketing and advertising expenses | 0.08 | 0.11 | 48% |
| Inventories consumption | 0.02 | 0.01 | -16% |
| Other operating expenses (net with op. income) | 0.54 | 0.53 | -1% |

Balance Sheet - Summary

| In € millions (Cons) | Dec-07 | Dec-08 |
|------------------------------|--------|--------|
| Total fixed assets | 124.3 | 169.8 |
| Cash and cash equivalents | 158.3 | 182.8 |
| Other current assets | 70.5 | 86.5 |
| Total assets | 353.2 | 439.1 |
| Total equity | 167.5 | 212.8 |
| Finance lease liabilities | 0.0 | 46.5 |
| Loans | 57.5 | 39.5 |
| Other Liabilities | 128.2 | 140.3 |
| Total equity and liabilities | 353.2 | 439.1 |

Cashflow - Summary

| In € millions (Cons) | Jan - Dec 2007 | Jan - Dec 2008 |
|--|----------------|----------------|
| Net cash flows from operating activities | 29.2 | 54.8 |
| Net cash flows from investing activities | (20.1) | 1.1 |
| Net cash flows from financing activities | 124.8 | (31.4) |
| Net (decrease)/ increase in cash and cash equivalents | 134.0 | 24.5 |
| Cash and cash equivalents at the beginning of the period | 24.4 | 158.3 |
| Cash and cash equivalents at the end of the year | 158.3 | 182.8 |

Aegean Airlines **Results for the Full Year 2008**

About Aegean Airlines

Aegean Airlines is the fastest growing Greek airline, having carried 6 million passengers in 2008 and capturing the first place in the total Greek market in terms of passenger traffic. Aegean offers flights to 17 domestic and 13 international destinations through 42 scheduled routes while at the same time operates 50 seasonal charter routes for tour operators. Aegean is also a Regional Partner of Lufthansa providing access for its passengers to Lufthansa's global network.

Conference Call

Aegean Airlines will host a conference call with financial analysts to discuss 2008 financial results on **12 March 2009** at **16:00 Athens time** (14:00 UK time). Interested parties can dial the following numbers:

Greek participants dial in: +30 211 180 2000 or +30 210 94 60 800

UK participants dial in: +44 (0) 800 3769 250

US participants dial in: +1 866 288 9315

Other international dial in: +44 (0) 20 70753 205

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