

## **PRESS RELEASE**

### **First Half 2014 Results**

#### **Significant improvement in traffic, revenue and profitability**

#### **4.3 million passengers**

Kifissia, 29 August 2014

AEGEAN reports improved results for the first half of 2014, resulting from, the benefits of its network expansion and from cost synergies with Olympic Air. Consolidated revenue increased by 8% to €388.6m, compared to the combined revenue of both companies in 2013. Consolidated Pre-tax earnings reached €22m from €7.2m and after-tax earnings rose to €16m from €6.9m in 2013<sup>1</sup>. It should be noted that due to seasonality first half is traditionally the weakest semester in performance.

AEGEAN and Olympic Air carried 4.3m passengers in the first half of 2014, 16% more than the previous year, achieving further improvement on load factor to 76% from 74%, despite the high number of new destinations launched during the period. In June 2014 the company reached a historic milestone by exceeding 1m monthly passengers for the first time. Traffic in the domestic network increased by 19%, driven mainly by lower fares which boosted demand for main markets as well smaller island destinations. International traffic out of the 8 aircraft bases rose by 13%, with Athens registering a higher growth rate of 17%, as the market recovered for the first time since 2008.

As a result of higher demand and improved pre-sales, operating cashflow showed a remarkable improvement to €127m for the first half, driving cash and cash equivalents for the parent company to €357m<sup>2</sup> as of the end of June 2014. Strong cash flows facilitated, in line with expectations, the smooth execution of €1 per share cash return to shareholders (€71m in total) in July 2014, with the company maintaining significantly higher cash reserves versus than 31/12/2013 and therefore the ability to comfortably support its gradual growth plans.

#### **Mr. Dimitris Gerogiannis, Managing Director, commented:**

“Our expanded operations for 2014 with a fleet of 50 Aircraft, 13m of available seats to be offered for the whole year and 17 new international destinations, are yielding positive results. Olympic Air synergies are gradually maturing bringing unit cost

<sup>1</sup> Comparison based on First Half 2013 pro-forma results, assuming consolidation of Olympic Air

<sup>2</sup> Including investments in corporate bonds

improvements and increased flows from connectivity. Our investment in incoming leisure and tourism over the last five years, now brings tangible results for Aegean. This is so despite the significant rise in competitive capacity to our market as well as new source market related challenges faced in Russia and Ukraine. We are benefiting from scale economies and network development and we will continue to gradually but consistently pursue this strategy while making new investments in quality and competitiveness as most recently with our decision to take delivery of 7 brand new Airbus A320 aircraft in 2015-2016.”

## Consolidated Results

€ million	First Half 2013 Pro-forma (including Olympic Air consolidation)	First Half 2014	Δ%
Revenue	358.2	388.6	8%
EBITDA	14.7	29.3	99%
Pre-tax earnings for the period	7.2	22.0	205%
Net earnings for the period	6.9	16.0	131%

## Passenger traffic (in ,000)

Passenger traffic	AEGEAN & Olympic Air		
	First Half 2013	First Half 2014	%
Domestic	1,953	2,322	19%
International	1,783	2,011	13%
<b>Total</b>	<b>3,736</b>	<b>4,333</b>	<b>16%</b>
<b>Load Factor</b>	<b>74.1%</b>	<b>76.1%</b>	<b>2.1</b>

Financial statements and Key Performance Indicators are posted on the company's website <http://en.aegeanair.com/investor-relations/financial-results/>

The Company will host a Conference Call on Monday September 1<sup>st</sup> at 16:00 Athens Time to present the results. Details are available at <http://en.aegeanair.com/investor-relations/announcements/>

## About Aegean Airlines

Aegean & Olympic Air carried 8.8 million passengers in 2014. The group's fleet comprises of 50 aircraft. Aegean has recently announced its decision to take delivery of 7 brand new A320 aircraft in 2015-2016.

Since June 30, 2010 Aegean is a member of STAR ALLIANCE, the strongest airline alliance worldwide. The Company has been honored with the Skytrax World Airline award, as the best European regional airline in 2014. AEGEAN won this award for the 4th year in a row and for the 5th time since 2009.