

## PRESS RELEASE

### First Half 2016 Financial Results

#### **5% rise in traffic to 5.2m passengers Weak demand weighs on second quarter results**

Kifissia, 19 September 2016

AEGEAN announces first half 2016 results with consolidated revenue at €403.5m, flat versus the respective period in 2015. Total number of passengers carried rose by 5% to 5.2m.

AEGEAN and Olympic Air carried 2.5m passengers on domestic flights while international passenger traffic rose by 10% to 2.7m passengers.

The group reported consolidated net loss after tax at €23.7m compared to net earnings of €14.8m in 2015 during the seasonally weaker first half.

During the first half of year, the group recorded a positive trend in passenger traffic which nevertheless felt short of the capacity invested in the international network, with the shortfall being more pronounced during the second quarter of the year.

In the domestic market, the weak economy, the significant increase in competitors' capacity as well as the increase in VAT by 11 ppt (from 13% to 23% and then 24%) led to further pressure on net average fares. On the other hand, tourist arrivals in the international market, where the company as well as competitors invested significant additional capacity, grew on low single digit rates in the second quarter of the year. As a result of the imbalance between capacity growth and incoming traffic growth, especially during May and June, load factors and yields declined, mainly in the seasonal regional bases but also in Athens.

Consequently, the group reported a weak financial result despite the benefits coming from lower oil prices.

Despite the weak result in the first half, cash and cash equivalent, following the distribution of FY2015 dividend of €50m, reached €299.8m<sup>1</sup> at 30.06.2015 from €236.8m at the end of the year, given higher presold revenue which indicates an improvement in demand for the third quarter of the year.

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

“For a third consecutive year we continued with our significant investments in network expansion, covering now 145 destinations and operating a fleet of 61 aircraft vs 52 on average in the first half of 2015.

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<sup>1</sup> Including free and restricted cash and investments in bonds, money market funds and shares

Weak demand during the second quarter of the year and mainly during May and June, negatively impacted our operating results and profitability, given also our decision to start operating certain seasonal international routes early in the summer season, aiming at improving our fleet utilization.

It is important to highlight that demand trends as well as load factors improved during the third quarter of the year with indications pointing to improved trends in September and October as well.

AEGEAN remains committed to keep delivering high quality services and achieving ongoing improvements on its network and competitiveness, having the size, the flexibility and the resources to cope with market challenges.”

### Consolidated Results

€ million	First Half 2015	First Half 2016	Δ%
Revenue	403.6	403.5	0%
EBITDA	19.7	(20.1)	
Pre-tax profit / (Losses) for the period	18.9	(31.7)	
Net profit / (Losses) for the period	14.8	(23.7)	

### Passenger traffic (in ,000)

Passenger traffic	AEGEAN & Olympic Air		
	First Half 2015	First Half 2016	%
Domestic	2,555	2,569	1%
International	2,407	2,660	10%
<b>Total</b>	<b>4,962</b>	<b>5,229</b>	<b>5%</b>
<b>Load Factor</b>	<b>73.4%</b>	<b>71.0%</b>	<b>-2.4</b>
<b>Avg number of passengers per flight</b>	<b>100</b>	<b>101</b>	<b>1%</b>

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

Aegean Airlines will host a conference call to present and discuss First Half 2016 Financial Results on Monday September 19<sup>th</sup> 2016. Details are available at <https://en.about.aegeanair.com/investor-relations/announcements/announcements/>

### About AEGEAN

AEGEAN & Olympic Air carried 11.6 million passengers in 2015. The group's fleet comprises of 61 aircraft. The 2016 network offers flights to 145 destinations (34 domestic and 111 international) to 45 countries. 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 2016.