AEGEAN AIRLINES S.A.

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

Interim Financial Report
(1st January to 30th June 2018)

In accordance with Article 5 of Law 3556/2007 and the Board of Directors' Resolutions of the Hellenic Capital Market Commission

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A. Statements of the Board of Directors' Members (in accordance with Article 5 paragraph 2 of Law 3556/2007)

It is hereby stated that, to the best of our knowledge, the Interim Condensed Stand alone and Consolidated Financial statements of "Aegean Airlines S.A." for the period 1 January 2018 to 30 June 2018, which were prepared in accordance with IFRS 34, 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 in accordance with Article 5 paragraphs 3 till 5 of Law 3556/2007.

It is also declared that, to the best of our knowledge, the Board of Directors' Report truly reflects all information required by Article 5 paragraph 6 of Law 3556/2007.

Kifissia, August 30rd 2018

The undersigned

Eftichios Vassilakis	Dimitrios Gerogiannis	Georgios Vassilakis
Chairman of the BoD	Chief Executive Officer	Member of the BoD

B. REPORT OF THE BOARD OF DIRECTORS of the company "AEGEAN AIRLINES S.A." for the period 1 January 2018 to 30 June 2018

This report has been prepared in accordance with article 43a of Law 2190/1920 and article 4 of Law 3556/2007 and the Hellenic's Capital Market Board of Directors' resolutions and contains financial and non-financial information of the company "AEGEAN AIRLINES S.A." (hereinafter called the «Company») and its subsidiary companies Olympic Air S.A. and Aegean Cyprus Limited (hereinafter called the «Group», jointly with the Company). It aims to provide an overview to the shareholders and investors of the Company's general course, financial position and results for the period (01/01/2018 – 30/06/2018) as well as highlight major events that occurred during the period and their impact on the semiannual 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 a disclosure of material transactions between the Company and its related parties.

Financial review, business developments and major events for first semester of 2018

The Greek economy continued to show signs of gradual stabilization and marginal recovery during the first months of 2018, mainly thanks to the added value of the industry and tourism sectors, despite the continued tax heavy policy of fiscal contraction.

Based on the seasonally adjusted data of the Greek Statistical Authority, GDP in first quarter of 2018 increased by 0.8% compared to fourth quarter of 2017, and by 2.3% compared to first quarter of 2017. The seasonally adjusted unemployment rate in May 2018 was 19.5% compared to 21.7% in May 2017.

The primary surplus could exceed the target of 3.5% of GDP with a delay in the Public Investment Program. As a result, S&P has upgraded Greece's credit rating to "B+".

These relatively positive developments were not enough to increase the Greek consumers' purchasing power, so consumption in first quarter of 2018 was marginally lower than that of first quarter of 2017.

Global economy kept growing, despite the continued tensions in trade relations between some of the world's major economies and political and economic issues in Italy. At the same time, Eurozone, UK & USA consumer confidence remained at high levels.

With regard to the Greek domestic market, passenger traffic rose only marginally by 1% compared to first semester of 2017 to 7.4 million passengers, mainly due to a 5% drop in the first quarter of the year, that was reversed by a 6% increase recorded in the second quarter, after the entry of new competitors. In the international market total passenger traffic increased by 15% compared to first semester of 2017 to 17 million passengers. As a result, total passenger traffic of Greek airports increased by 11% compared to first semester of 2017. It needs to be pointed out though, that unlike 2017, passenger traffic growth significantly underperformed airlines offered capacity growth, which grew twice as fast as last year, as a result of the of growth of tourism in 2017.

The Company has focused for a second consecutive year in a gradual and rational capacity increase, especially in strengthening of its network and the synergies from the Athens hub, taking in consideration the significant fleet investment planned for the coming years. The Group has added 3 A321ceo aircraft in its fleet during the first half of the year aiming primarily to cover the needs from the expiration of 2 aircraft lease agreements in November 2018, while achieving a small but necessary increase of capacity during the summer months.
Additionally, during the first half of the year a number of new services were introduced, including the "Select your Seat", a "Fast Track" airport security service, and additionally the "Time to Think" ("lock" a price for a few days) on a trial basis. In parallel the co-operation with the loyalty program of Eurobank kickstarted to complement the continuing very successful 10-year cooperation with Alpha Bank's loyalty program.

In June 22nd 2018, the Company has signed a Purchase Agreement with Airbus for up to 42 new generation aircraft of the A320neo family. The agreement with Airbus refers to 30 firm aircraft order of Airbus A320neo family (A320neo & A321neo), with the option for 12 additional aircraft. According to the agreement the minimum number of A321neo is 10 aircraft with the option be increased by converting the A320neo aircraft order to A321neo.

The investment during the next seven years is the largest private investment in Greece and creates new prospects for unit cost reduction, competitiveness and offered services, elements necessary to support the growth and sustainability in a highly competitive and globalized industry. The new aircraft will offer upgraded services to passengers and the ability to reach longer range destinations. The new generation engines contribute significantly in enhancing the company's competitiveness due to fuel savings and reduced carbon emissions.

Furthermore, the Company in order to support the training and further development of its flight crew, plans to invest €30M, over the next 24 months for the construction of a 12.000m^2 Training Center at Athens International Airport. The Center will provide purpose-built classrooms as well as state-of-the-art flight simulators that will cover the total training needs of the Group's pilots and cabin crew members. The project is under preliminary planning with the study expected to be completed between September and November 2018, when the project budget will be finalized.

As part of this investment, the Group is also launching a scholarship program for 100 pilot cadets in 2018-2019 in order to provide financial support to cover the initial training costs required for becoming a pilot.

In the first half of the year, the Group carried 5.9 million passengers, recording an increase in passenger traffic of 7% compared to first semester of 2017 and increasing the average load factor to 81.7% from 79.2% in first semester of 2017. In the domestic network the Group carried 2.7 million passengers, 3% more than in first semester of 2017 while in the international network the passenger traffic grew by 8% compared to first semester of 2017 to 3.3 million passengers. The increase in international traffic to / from Athens was 13% compared to first semester of 2017.During 2018 11 new routes have been added, more specifically those will include Basel, Cluj Napoca, Genoa, Lamezia, Malaga, Palermo, Porto, Turin, Verona, Zadar, and Zagreb.

Although the Group has managed to take advantage of the increased traffic flows to Greece, transferring more passengers with improved load factors, increased competition, the significant increase in the offered capacity, that exceeded the increase in demand, as well as the reduced purchasing power of Greek consumers led to lower average fares, especially in the domestic network. Moreover, the significant increase of oil prices, which moved up by 36% on average over the same period of 2017, has impacted negatively the Group's results, while the effect of the euro / dollar exchange rate was predominately positive. Despite the effect of the increased offered capacity by the competition and higher oil prices, improved load factors, the positive effect of new services and hedging in fuel and USD led to an improvement in EBT compared to that of the first half of 2017.

The key operating and financial data for the first half of 2018 at Group level were as follows:

- Total capacity increased by 2.5% in ASKs compared to the same period of 2017

- Passenger traffic increased by 7% compared to the same period of 2017, with total passengers reaching 5.9 million and in parallel the number of flights remained the same.

- Average load factor increased to 81.7% from 79.2% in the same period of 2017, continuing the significantly positive trend of 2017 compared to 2016

- Total sales increased by 1% to € 455.7 million from € 450.7 million in the same period of 2017. At a comparable level (without the application of IFRS 15) the increase against 2017 was 2%.

- Aircraft lease costs amounted to € 64.8 million from € 70.1 million in the same period of 2017, mainly due to the dollar depreciation versus the euro for the same period of 2017.

- Earnings before taxes (EBT) amounted to € 18.3 million loss from € 26.7 million in loss last year, mainly thanks to the improvement of the first quarter of the year

- Cash flows from operating activities reached to € 163.2 million.

- The Group maintained its healthy capital structure with zero borrowing and liabilities from aircraft leasing contracts amounting to € 27.6 million, while the cash and cash equivalents (€ 382 million), restricted deposits (€ 1.1 million) and financial assets (€ 12.7 million) amounted to € 395.8 million, marking a significant increase over the same period in 2017 including also despite the Pre-Delivery Payments to Airbus according to the signed Purchase Agreement.

Prospects, key risks and uncertainties for second semester 2018

The signs of recovery of the Greek economy do not seem enough to lead the economy into a stable growth phase. In recent months consumer and business confidence figures show signs of fatigue. Furthermore, both in the Greek stock market and the Greek government bonds trends seem to be in mismatch with the potential of access of Greece to the international debt markets, after the completion of the program.

In addition, turmoil in global trade may have a negative impact on global growth in the near future. Taking in consideration the above mentioned, the need of a stable investment environment in the country is even more important.

In parallel, the tourism sector in Greece is expected to benefit from the global tourism growth trends in the coming years, as Greece has the potential to increase its share of incoming tourist arrivals. In recent years, there has been a keen interest in new investments aimed at upgrading and expanding hotel infrastructure, not only from Greek investors but also from international hotel chains, which shows their confidence in Greek tourism and its future prospects.

As far as demand for the second half of 2018 is concerned, the outlook for the summer period remains positive. However, the market continues to present a high seasonality, with the Group remaining dependent on the course of tourist arrivals in the second and third quarters of the year, while the first and fourth quarters remain weak.

Regarding the competitive environment, the significant increase of the available capacity from the competition within 2018, both in the domestic and in the international routes has affected negatively the yields. Additionally, oil prices are posting significant increases which are only partially offset by the Company's hedging policy.
In this environment the Group is focusing on:

• Improving flight efficiency through adjustments to offered capacity
• Further strengthening of its Athens hub

• The completion of negotiations with engine OEMs and aircraft leasing companies for the smooth transition of the Group's fleet to the next generation aircraft

• Maintaining a competitive cost structure despite the challenges of the past years, mainly driven by increased aircraft maintenance costs

• Creating additional revenue per passenger from the billing of additional services, offering more choices to passengers, increasing sales of third party services as well as further developing its loyalty program as well as further initiatives and innovative services.

- **Key Performance Indicators Measurement**

The Group measures its efficiency by using, among others, the following aviation performance indicators:

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

-CASK (Cost per Available Seat Kilometer): The index divides the total operating costs (EBT level) as well as the costs excluding aircraft leasing costs (EBT level excluding fuel costs) with the total available seats available for sale multiplied by the total mileage

-Passenger Yield: The index divides the total revenue from passenger sales with total passengers multiplied by the total number of kilometers traveled.

The above indicators for first semester of 2018 compared with the previous year were:

	01/01 - 30/06/2018	**01/01 - 30/06/2017**
Sales (a)*	455.713,71	450.674,50
Other operating income (b)*	7.643,89	4.926,80
Total (a+b)	**463.357,76**	**455.601,30**
ASKs in millions (c)	7.431	7.247
RPKs in millions (d)	6.060	5.731
RASK (a+b)/c in € cents	**6.24**	**6.29**
Yield (a+b)/d in € cents	**7.65**	**7.95**
Personnel expenses (1)*	(62.865,98)	(56.574,00)
Depreciation (2)*	(9.206,49)	(8.967,52)
Consumption of goods and services (3)*	(415.233,75)	(409.480,98)
Finance income (4)*	16.272,41	14.804,24
Finance expense (5)*	(10.581,01)	(22.074,12)
Total (1+2+3-4+5)	(481.614,82)	(482.293,38)
CASK in € cents (1+2+3-4+5)/c	**6.48**	**6.66**
Aircraft Fuel (6)**	(98.989,74)	(88.781,09)
CASK in € cents excluding aircraft fuel (1+2+3-4+5-6)/c	**5.15**	**5.43**

* Included in the Consolidated Statement of Comprehensive Income
** Not presented separately in the Consolidated Statement of Comprehensive Income

- RASK has decreased by 1% compared to 2017, mainly due to the increased capacity by competition that led to lower average fares

- CASK excluding fuel costs decreased by 5% compared to 2017, mainly thanks to lower leasing costs due to lower dollar / euro exchange rate and lower distribution costs.

The Group also uses the EBITDA and EBITDAR financial indicators as part of its performance assessment. Those serve to better understand the financial and operating results of the Group. Specifically, EBITDA is defined as earnings before interest, taxes depreciation and amortization. The definition of EBITDAR (an indicator widely used in the aviation industry) is also included in the financial report and is earnings before interest, taxes depreciation, amortization and leases of aircraft & spare engines.

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

	01/01 - 30/06/2018	**01/01 - 30/06/2017**
Loss before taxes (a)*	(18.257,23)	(26.691,08)
Depreciation (b)*	(9.206,49)	(8.967,52)
Finance income (c)*	16.272,41	14.804,24
Finance expense (d)*	(10.581,01)	(22.074,12)
Loss before interest, taxes depreciation and amortization (EBIDTA) (e) = (a) - (b) - (c) - (d)	(14.742,13)	(10.454,69)
leases of aircraft and spare engines (f)**	(64.753,31)	(70.128,56)
Earnings before interest, taxes depreciation, amortization and leases (EBITDAR) (g) = (e) – (f)	50.011,18	59.673,87

* Included in the Consolidated Statement of Comprehensive Income.
** Not presented separately in the Consolidated Statement of Comprehensive Income

- EBITDAR was € 50.0 million from € 59.7 million in the same period of 2017.

- EBITDA amounted to € -14.7 million from € -10.5 million in the same period of 2017.

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 revenue in euro. Appreciation of the euro versus the U.S. dollar positively impacts operating profit as 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. At 30 June 2018 the company has entered onto agreements to hedge the 56% of its estimated annual US dollar needs for 2018 and 60% of estimated needs for 2019. 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 on the business activity, the financial status and the operating results of the Company.

Interest rate risk
The Company is exposed to interest rate fluctuations risk through the aircraft finance leases agreements based on a floating interest rate. The Company's policy is to continuously monitor its exposure to cash flow risk from interest rate fluctuations relating to its aircraft finance leases. Additionally, the Group has adopted hedging policies against interest rate risk related to finance leases. At 30 June 2018 the company had hedging contracts covering 37% of its interest rate risk from liabilities of the finance leases.

Jet fuel risk
The Company is exposed to the fluctuations of oil price which has a direct impact on the jet fuel price. To manage this risk, the Company enters into derivative contracts on oil products in order to hedge specific percentages of its projected jet fuel needs. At 30 June 2018 the company had futures contracts for the purchase of aircraft fuel covering 55% of the projected fuel needs for 2018 and 50% of estimated needs for 2019.

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

Credit risk
The company monitors its trading receivables on a regular basis, so as to be protected against credit risk, and whenever needed, it assesses their timely collection mainly through factoring. This risk in the current circumstances has increased in relation to the past.

Liquidity /Cash flow risk
The prudent management of liquidity risk supposes sufficient cash balances. The Company manages the aforementioned risk by maintaining adequate liquid securities and sufficient credit lines from the banks as well as from suppliers, always align to its operational, investment and financial needs.

- **Related Parties' Transactions**

The Company's transactions with related parties during first semester of 2018 were under usual commercial terms and they remained at the same levels with the previous period. Transactions with subsidiary OLYMPIC AIR mainly concern aircraft leasing and other services.

	Income	**Expenses**	**Receivables**	**Liabilities**
OLYMPIC AIR S.A.	40.484,17	85.292,43	12.488,39	0,31
AUTOHELLAS HERTZ S.A. Group	579,43	832,35	139,04	213,99

The Group directors and Board of Directors' members remuneration for the period 1/1-30/06/2018 was €1.206,66 thousand, while the relevant amount for the Group was €1.291,49.

Kifissia, August 30th 2018

Aegean Airlines S.A.
Chief Executive Officer
Dimitrios Gerogiannis

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REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders of "Aegean Airlines S.A."

Introduction

We have reviewed the accompanying condensed separate and consolidated statement of financial position of "Aegean Airlines S.A." (the "Company") as at 30 June 2018, and the related condensed separate and consolidated statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes that comprise the interim financial information, which is an integral part of the six-month financial report of Law 3556/2007. Management is responsible for the preparation and presentation of this interim condensed financial information in accordance with International Financial Reporting Standards as adopted by the European Union and apply to interim financial reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information is not prepared, in all material respects, in accordance with IAS 34.

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Report on other legal requirements

Our review has not identified any inconsistency between the other information contained in the six-month financial report prepared in accordance with article 5 Law 3556/2007 with the accompanying financial information

Maroussi, 30 August 2018

VASSILIOS KAMINARIS
S.O.E.L. R.N. 20411

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D. INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD 1 JANUARY TO 30 JUNE 2018

(amounts in thousand euros)

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AEGEAN AIRLINES S.A. amounts in thousand €

1.1 Interim Condensed Financial Position of the Company at 30.06.2018

	Note	30/06/2018	31/12/2017
ASSETS			
Non-current assets			
Intangible assets	5.7	27.234,38	27.863,32
Tangible assets	5.8	94.725,87	94.326,38
Advances for assets acquisition	5.10	33.889,23	305,62
Investments in subsidiaries	5.9	72.416,56	72.416,56
Financial Assets	5.11	525,00	525,00
Deferred tax assets		0,00	610,91
Other long term assets		22.338,82	20.487,25
Hedging derivatives	5.20	6.081,47	59,36
Total non-current assets		**257.211,33**	**216.594,40**
Current assets			
Inventories		10.103,69	8.964,05
Trade and other receivables	5.12	143.637,42	103.522,29
Advances		37.110,60	18.638,20
Financial Assets	5.11	12.705,39	6.983,58
Hedging derivatives	5.20	26.154,11	17.323,94
Restricted Cash	5.13	1.115,11	7.207,93
Cash and cash equivalents	5.13	309.945,45	215.195,95
Total current assets		**540.771,77**	**377.835,94**
TOTAL ASSETS		**797.983,09**	**594.430,34**
EQUITY			
Share capital		46.421,11	46.421,11
Share premium		72.775,98	72.775,98
Other reserves		26.963,46	4.042,41
Retained earnings		34.755,51	73.283,16
Total equity		**180.916,06**	**196.522,65**
LIABILITIES			
Long term liabilities			
Finance lease contracts liabilities	5.14	17.261,41	21.753,29
Derivative contracts liabilities	5.20	3.574,06	9.074,45
Liabilities for retirement benefits obligations		11.600,30	10.878,52
Provisions	5.15b	4.779,74	4.757,48
Other long term liabilities	5.16	22.453,94	18.034,19
Deferred tax liabilities		9.847,64	0,00
Total long term liabilities		**69.517,09**	**64.497,93**
Short term liabilities			
Trade and other payables	5.17	61.692,73	38.491,19
Long term finance leases liabilities payable next year	5.14	10.335,97	9.867,68
Other short term liabilities	5.18	140.791,15	109.300,49
Liabilities from tickets sold but not flown	5.19	244.494,28	110.223,07
Accrued expenses		71.249,52	37.546,58
Hedging derivatives	5.20	7.584,39	16.900,23
Income Tax Payable		11.080,16	11.080,16
Provisions	5.15a	321,75	0,00
Total short term liabilities		**547.549,95**	**333.409,76**
Total liabilities		**617.067,04**	**397.907,70**
TOTAL EQUITY AND LIABILITIES		**797.983,09**	**594.430,34**

AEGEAN AIRLINES S.A. amounts in thousand €

1.2 Interim Condensed Consolidated Financial Position at 30.06.2018

	Note	30/06/2018	31/12/2017
ASSETS			
Non-current assets			
Intangible assets	5.7	44.212,46	45.113,82
Goodwill	5.7	39.756,30	39.756,30
Tangible assets	5.8	94.510,24	94.191,86
Advances for assets acquisition	5.10	33.889,23	305,62
Financial assets	5.11	525,00	525,00
Other long term assets		26.882,92	25.006,06
Hedging derivatives	5.20	6.081,47	59,36
Total non-current assets		**245.857,62**	**204.958,02**
Current assets			
Inventories		16.550,34	15.193,25
Trade and other receivables	5.12	157.623,38	115.556,86
Advances		38.671,50	20.634,42
Financial Assets	5.11	12.705,39	6.983,58
Hedging derivatives	5.20	26.154,11	17.323,94
Restricted Cash	5.13	1.115,11	7.207,93
Cash and cash equivalents	5.13	382.009,31	293.723,58
Total current assets		**634.829,15**	**476.623,57**
TOTAL ASSETS		**880.686.77**	**681.581,59**
EQUITY			
Share capital		46.421,11	46.421,11
Share premium		72.775,98	72.775,98
Other reserves		26.963,46	4.042,41
Retained earnings		84.232,04	124.700,81
Total equity		**230.392,59**	**247.940,31**
LIABILITIES			
Long term liabilities			
Finance lease contracts liabilities	5.14	17.261,41	21.753,29
Hedging derivatives	5.20	3.574,06	9.074,45
Liabilities for retirement benefits obligations		12.046,42	11.324,64
Provisions	5.15b	9.076,39	9.633,85
Other long term liabilities	5.16	22.453,94	18.034,54
Deferred tax liabilities		11.704,81	1.618,71
Total long term liabilities		**76.117,02**	**71.439,48**
Short term liabilities			
Trade and other payables	5.17	99.057,50	57.613,53
Long term finance leases liabilities payable next year	5.14	10.335,97	9.867,68
Other short term liabilities	5.18	142.243,14	116.012,58
Liabilities from tickets sold but not flown	5.19	256.482,16	115.855,00
Accrued expenses		43.716,95	31.511,58
Hedging derivatives	5.20	7.584,39	16.900,23
Current tax liabilities		14.314,17	14.320,07
Provisions	5.15a	442,86	121,11
Total short term liabilities		**574.177,15**	**362.201,80**
Total liabilities		**650.294,18**	**433.641,28**
TOTAL EQUITY AND LIABILITIES		**880.686,77**	**681.581,59**

amounts in thousand €

2.1 Interim Condensed Statement of Comprehensive Income of the Company for the period ended at 30.06.2018

Condensed Statement of Comprehensive Income	**Note**	**01/01 - 30/06/2018**	**01/01 - 30/06/2017**
Revenue	5.21	**368.460,71**	**371.435,91**
Other operating income		14.623,52	10.056,33
Personnel expenses		(56.875,14)	(50.417,79)
Depreciation		(8.831,99)	(8.466,21)
Consumption of goods and services		(338.978,06)	(341.299,68)
Finance income	5.22	15.049,89	13.191,90
Finance expense	5.22	(9.274,05)	(19.905,07)
Loss before tax		**(15.825,13)**	**(25.404,61)**
Income tax	5.23	4.009,29	6.317,34
Loss after tax		**(11.815,84)**	**(19.087,28)**

Other comprehensive income			
(a) Transferred to the income statement			
Cash flow hedging			
Reclassification of Profit / (Loss)		(7.736,88)	(1.442,82)
Net change in fair value of cash flow hedges		37.405,39	(56.251,00)
Income tax		(8.603,87)	16.731,21
Available for sale financial assets			
Net change in fair value of financial assets		0,00	(184,86)
Income tax		0,00	53,61
Total (a)		**21.064,64**	**(41.093,86)**
(b) Non-transferred in the income statement			
Net actuarial profit/ (loss) on defined benefit plans		(260,19)	(378,00)
Deferred tax		75,45	109,62
Total (b)		**(184,73)**	**(268,38)**
Other comprehensive income/ (losses) for the year net of tax		**20.879,91**	**(41.362,24)**
Total comprehensive income/(losses) for the year net of tax		**9.064,07**	**(60.449,52)**

AEGEAN AIRLINES S.A. amounts in thousand €

2.2 Interim Condensed Consolidated Statement of Comprehensive Income for the period ended at 30.06.2018

Condensed Consolidated Statement	Note	01/01 - 30/06/2018	01/01 - 30/06/2017
Revenue	5.21	**455.713,71**	**450.674,50**
Other operating income		7.643,89	4.926,80
Personnel expenses		(62.865,98)	(56.574,00)
Depreciation		(9.206,49)	(8.967,52)
Consumption of goods and services		(415.233,75)	(409.480,98)
Finance income	5.22	16.272,41	14.804,24
Finance expense	5.22	(10.581,01)	(22.074,12)
Loss before tax		**(18.257,23)**	**(26.691,08)**
Income tax	5.23	4.503,11	6.653,54
Loss after tax		**(13.754,12)**	**(20.037,54)**

Other comprehensive income			
(a) Transferred to the income statement			
Cash flow hedging			
Reclassification of Profit / (Loss)		(7.736,88)	(1.442,82)
Net change in fair value of cash flow hedges		37.405,39	(56.251,00)
Income tax		(8.603,87)	16.731,21
Available for sale financial assets			
Reclassification of Profit / (Loss)		0,00	(581,00)
Net change in fair value of financial assets		0,00	133,64
Income tax		0,00	129,74
Total (a)		**21.064,64**	**(41.280,24)**
(b) Non-transferred in the income statement			
Net actuarial profit/ (loss) on defined benefit plans		(260,19)	(378,00)
Deferred tax		75,45	109,62
Total (b)		**(184,73)**	**(268,38)**
Other comprehensive income/ (losses) for the year net of tax		**20.879,91**	**(41.548,62)**
Total comprehensive income/(losses) for the year net of tax		**7.125,79**	**(61.586,15)**
Basic and diluted earnings per share in €		(0,192589)	(0,280571)
Weighted Average number of shares		71.417.100	71.417.100

AEGEAN AIRLINES S.A. amounts in thousand €

3.1 Interim Statement of changes in Equity of the Company for the period ended at 30.06.2018

	Issued capital	Share premium	Cash flow hedging reserves	Reserves (other)	Available for Sale	Accumulated Profit / (Loss)	Total equity
Balance at 1 January 2017	**46.421,11**	**72.775,98**	**21.047,72**	**8.510,14**	**373,89**	**65.368,29**	**214.497,13**
Profit/ (loss) for the year	-	-	-	-	-	(19.087,28)	(19.087,28)
Other comprehensive income/ (losses)	-	-	(40.962,61)	-	(131,25)	(268,38)	(41.362,24)
Total comprehensive income/ (losses)	-	-	**(40.962,61)**	-	**(131,25)**	**(19.355,66)**	**(60.449,52)**
Dividends Paid (Note 5.30)	-	-	-	-	-	**(28.566,84)**	**(28.566,84)**
Reserves	-	-	-	1.712,65	-	(1.712,65)	-
Balance on 30 June 2018	**46.421,11**	**72.775,98**	**(19.914,88)**	**10.222,79**	**242,63**	**15.733,15**	**125.480,80**
Balance on 1 January 2018	**46.421,11**	**72.775,98**	**(6.246,06)**	**10.222,79**	**65,68**	**73.283,16**	**196.522,65**
IFRS 15 & 9 Impact (Note 5.4)	-	-	-	-	(65,68)	14.674,42	**14.608,74**
Profit/ (loss) for the year	-	-	-	-	-	(11.815,84)	(11.815,84)
Other comprehensive income/ (losses)	-	-	21.064,64	-	-	(184,73)	20.879,91
Total comprehensive income/ (losses)	-	-	**21.064,64**	-	**(65,68)**	**2.673,85**	**23.672,81**
Dividends Paid (Note 5.30)	-	-	-	-	-	**(39.279,40)**	**(39.279,40)**
Reserves	-	-	-	1.928,19	-	(1.928,19)	-
Balance on 30 June 2018	**46.421,11**	**72.775,98**	**14.818,58**	**12.150,98**	-	**34.749,42**	**180.916,06**

AEGEAN AIRLINES S.A. amounts in thousand €

3.2 Interim Condensed Consolidated Statement of changes in Equity for the period ended at 30.06.2018

	Issued capital	Share premium	Cash flow hedging reserves	Reserves (other)	Available for Sale	Accumulated Profit / (Loss)	Total equity
Balance at 1 January 2017	**46.421,11**	**72.775,98**	**21.047,73**	**8.510,13**	**560,25**	**94.955,84**	**244.271,05**
Profit/ (loss) for the year	-	-	-	-	-	(20.037,54)	(20.037,54)
Other comprehensive income/ (losses)	-	-	(40.962,61)	-	(317,64)	(268,38)	(41.548,63)
Total comprehensive income/ (losses)	**-**	**-**	**(40.962,61)**	**-**	**(317,64)**	**(20.305,92)**	**(61.586,16)**
Dividends Paid (Note 5.30)	**-**	**-**	**-**	**-**	**-**	**(28.566,84)**	**(28.566,84)**
Reserves	-	-	-	1.712,65	-	(1.712,65)	-
Balance on 30 June 2018	**46.421,11**	**72.775,98**	**(19.914,88)**	**10.222,78**	**242,61**	**44.370,44**	**154.118,07**
Balance on 1 January 2018	**46.421,11**	**72.775,98**	**(6.246,06)**	**10.222,78**	**65,68**	**124.700,81**	**247.940,31**
IFRS 15 & 9 Impact (Note 5.4)	-	-	-	-	(65,68)	14.671,57	14.605,88
Profit/ (loss) for the year	-	-	-	-	-	(13.754,12)	(13.754,12)
Other comprehensive income/ (losses)	-	-	21.064,64	-	-	(184,73)	20.879,91
Total comprehensive income/ (losses)	**-**	**-**	**21.064,64**	**-**	**(65,68)**	**732,72**	**21.731,68**
Dividends Paid (Note 5.30)	**-**	**-**	**-**	**-**	**-**	**(39.279,40)**	**(39.279,40)**
Reserves	-	-	-	1.928,19	-	(1.928,19)	-
Balance on 30 June 2018	**46.421,11**	**72.775,98**	**14.818,58**	**12.150,97**	**-**	**84.225,95**	**230.392,59**

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

4.1 Interim Cash Flow Statement of the Company for the period ended at 30.06.2018

	30/06/2018	30/06/2017
Cash flows from operating activities		
Profit before tax	**(15.825,13)**	**(25.404,61)**
Adjustments for:		
Depreciation of tangible assets (Note 5.7, 5.8)	8.831,99	8.466,21
Provisions for aircraft maintenance , bad debts and other provision (Note 5.14)	(793,13)	1.169,25
Losses/(gains) from foreign exchange differences (Note 5.22)	(6.111,98)	5.404,80
(Profit) / loss from investing activities	(747,28)	(565,27)
Finance Cost (Note 5.22)	1.083,42	1.873,64
Cash flows from operating activities before changes in working capital	**(13.562,10)**	**(9.055,98)**
Changes in working capital		
(Increase)/Decrease in inventories	(1.139,64)	(519,04)
Increase/ (Decrease) in liabilities	(58.283,20)	(63.406,78)
Increase/ (Decrease) in liabilities	243.560,49	196.490,18
Total changes in working capital	**184.137,65**	**132.564,36**
Interest expenses paid	(928,59)	(1.209,45)
Income tax paid	0,00	(4.507,82)
Net cash flows from operating activities	**169.646,97**	**117.791,11**
Cash flows from investing activities		
Purchases of tangible assets (Note 5.7, 5.8)	(3.799,65)	(1.570,19)
Sales of tangible assets	7,87	0,00
Advances for the acquisition of tangible assets (Note 5.10)	(33.583,61)	0,00
Purchases of financial assets (Note 5.11)	(5.654,50)	(450,00)
Sales of financial assets	0,00	598,49
Interest and other financial income received	398,01	219,41
Net cash flows from investing activities	**(42.631,88)**	**(1.202,29)**
Cash flows from financing activities		
Dividends paid	(35.474,21)	(28.523,05)
Financial leases capital paid (Note 5.14)	(4.844,62)	(5.353,63)
Net cash flows from financing activities	**(40.318,83)**	**(33.876,68)**
Net (decrease)/increase in cash and cash equivalents	**86.696,25**	**82.712,14**
Cash, cash equivalents & restricted cash at the beginning of the period (Note 5.13)	222.403,88	194.454,36
Net foreign exchange differences	1.960,42	(7.664,04)
Cash, cash equivalents & restricted cash at the end of the period	**311.060,56**	**269.502,46**

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

4.2 Interim Condensed Consolidated Cash Flow Statement for the period ended at 30/06/2018

	30/06/2018	30/06/2017
Cash flows from operating activities		
Profit before tax	**(18.257,23)**	**(26.691,08)**
Adjustments for:		
Depreciation of tangible assets (Note 5.7, 5.8)	9.206,49	8.967,52
Provisions for aircraft maintenance , bad debts and other provision (Note 5.14)	(1.372,85)	1.184,64
Losses/(gains) from foreign exchange differences (Note. 5.22)	(6.097,97)	5.985,42
(Profit) / loss from investing activities	(775,65)	(712,34)
Finance Cost (Note. 5.22)	1.114,60	1.902,33
Cash flows from operating activities before changes in working capital	**(16.182,61)**	**(9.363,51)**
Changes in working capital		
(Increase)/Decrease in inventories (Note 5.28)	(1.357,09)	835,22
Increase/ (Decrease) in liabilities	(59.797,86)	(69.986,53)
Increase/ (Decrease) in liabilities	241.453,28	211.692,96
Total changes in working capital	**180.298,32**	**142.541,65**
Interest expenses paid	(959,77)	(1.238,14)
Income tax paid	0,00	(4.507,82)
Net cash flows from operating activities	**163.155,94**	**127.432,18**
Cash flows from investing activities		
Purchases of tangible assets (Note. 5.7, 5.8)	(3.820,64)	(1.575,55)
Sales of tangible assets	7,87	0,00
Advances for the acquisition of tangible assets (Note 5.10)	(33.583,61)	0,00
Purchases of financial assets (Note 5.11)	(5.654,50)	(450,00)
Sales of financial assets	0,00	1.322,57
Interest and other financial income received	426,38	238,95
Net cash flows from investing activities	**(42.624,50)**	**(464,03)**
Cash flows from investing activities		
Dividends paid	(35.474,21)	(28.523,05)
Financial leases capital paid (Note 5.14)	(4.844,62)	(5.353,63)
Net cash flows from financing activities	**(40.318,83)**	**(33.876,68)**
Net (decrease)/increase in cash and cash equivalents	**80.212,62**	**93.091,47**
Cash, cash equivalents & restricted cash at the beginning of the period (Note 5.13)	300.931,52	248.477,75
Net foreign exchange differences	1.980,29	(7.968,94)
Cash, cash equivalents & restricted cash at the end of the period	**383.124,42**	**333.600,28**

5. Notes to the Interim Financial Statements

5.1 General information

Aegean Airlines S.A. is a Societe Anonyme airline Company (the Company) under the discreet title AEGEAN AIRLINES used in its international transactions. The Company's legal duration has been defined up to 31/12/2044 and can be extended following the decision of the General Shareholders Meeting. The Company's registered address is 31 Viltanioti St. in the Municipality of Kifissia, Attiki (PC 14564). The parent company Aegean Airlines S.A. along with its subsidiaries constitute the AEGEAN Group (the Group).

The accompanying interim condensed consolidated and stand-alone financial statements for the period ended at 30th June 2018 have been approved by the Board of Directors of the Company on August 31st 2018.

5.2 Nature of operations

The Company and the Group operate in the sector of public airline transportations, providing transport of passengers and goods inside and outside the Greek territory, conducting scheduled and non-scheduled flights. At the same time, they render aviation services, technical support and ground handling aircraft services. Indicatively, the Company's and the Group's objectives include among others the following activities/operations:

a. Participation in any local or foreign company of similar nature of operations

b. Establishment of branches and agencies

c. Import, trade, leasing of aircraft and spare parts.

5.3 Basis of preparation of the financial statements

The interim condensed consolidated financial statements for the six month period ended 30 June 2018 have been prepared in accordance with IAS 34 Interim Financial Reporting. The financial statements have been prepared based on the business continuity principle, under the historical cost principle except for certain categories of assets and liabilities that have been revalued in fair values as stated below:

1) Hedging derivatives
2) Financial assets are measured in fair value through profit and loss

The interim financial statements for the 1st semester of 2018 have been prepared based on the same accounting policies and calculation methods used for the preparation of the annual financial statements of the year ended 31 December 2017 except for the changes in accounting policies which are analyzed in Note 5.4. The accompanying interim condensed financial statements should be read along with the annual financial statements for the period ended at 31 December 2017, which include a thorough analysis of the accounting principles and methods used.

The preparation of the financial statements according to the International Financial Reporting Standards (IFRS) requires the usage of estimates and judgments. Important assumptions, made by the management in applying the accounting policies of the company and the group, are stated where it is considered necessary. The estimates and judgments made by the management, same with those used for the preparation of annual financial statements for the period ended 31 December 2017, are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are considered reasonable under the circumstances.

The management considers the basic financial figures as well as the medium term budgets, along with the existing loan covenants and other loan terms if any, to conclude if the going concern basis is still appropriate to be adopted in the preparation of the interim condensed stand-alone and consolidated financial statements.

The financial statements are presented in thousand euros ('000), except if otherwise stated. Small variances in decimals are mainly due to rounding.

5.4 Standards, Interpretations and amendments to existing standards

A. Changes in accounting policy and disclosures

The accounting policies adopted are consistent with those of the previous financial year except for the following amended IFRSs:

a. IFRS 9 Financial Instruments

The standard introduces new requirements for classification and measurement, impairment, and hedge accounting.

On 1.1.2018, the Group and the Company adopted IFRS 9 by recognizing the cumulative impact in retained earnings, without restating the comparatives amounts.
As far as hedge accounting is concerned, the management did not chose to apply the hedge accounting requirements on 1 January 2018 under the new standard and continue to apply IAS 39.

Classification and measurement

The new classification and measurement of the Group's and the Company's financial assets are, as follows:

- *Finanacial Assets measured at amortised cost*.
  This category includes financial assets that meet both the following criteria:
  1. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and,

  2. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding
- *Financial Assets at fair value through profit and loss (FVTPL).*
  Upon transition to the new standard the Company and the Group made an irrevocable election to designate certain investments (i.e. bonds, shares etc) as measured at fair value through profit or loss. Under IAS 39, these Group's investments were classified as available-for-sale (AFS) financial assets. Therefore, the cumulative valuation previously recognized in other comprehensive income was reclassified to retained earnings.

There was no impact in the classification and measurement of the Group and Company's financial liabilities.

Impairment

IFRS 9 requires at each reporting date, the Company and the Group to measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.
adopt the expected credit losses (ECL) model for each category of financial assets. The impairment provision is equal to expected credit losses to the assets' entire life.

The Group applies the IFRS 9 simplified approach to measure expected credit losses using a lifetime expected loss allowance for all trade and other receivables

- **IFRS 15: Revenue from Contracts with Customers (Clarifications)**

IFRS 15 establishes a five-step model that will be applied to revenues earned from a contract with a customer (with limited exceptions), regardless of the type of the transaction or the industry. The standard's requirements will also apply to the recognition and measurement of gains and losses on the sale of some non-financial assets that are not an output of the entity's ordinary activities (e.g., sales of property, plant and equipment or intangibles). Extensive disclosures are required, including disaggregation of total revenue; information about performance obligations; changes in contract asset and liability account balances between periods and key judgments and estimates.

AEGEAN AIRLINES S.A. amounts in thousand €

On 1.1.2018, the Group and the Company adopted IFRS 15 by using the modified retrospective approach (the cumulative impact was recognized in retained earnings and comparatives amounts were not restated).

The material effect of the adoption of IFRS 15 is primarily the recognition of revenue from ticket sales and ancillary services (eg baggage transfers etc.) as well as the corresponding distribution costs, according to the date of the flight. As a result, the transition to the new model results in a 1.2% decrease in revenue and 1.3% in relative costs, reflecting the reality and seasonality of the activity, without actually bringing about a significant change in the result of the period.

Amounts in mil €	**Company**	**Group**
Impact in Equity	**01/01/2018**	**01/01/2018**
Revenue from unused tickets and ancillary services	11,78	12,03
Loyalty program	6,14	6,14
Incremental contract costs	2,65	2,82
Deferred Tax	(5,99)	(6,12)
Retained Earnings	**14,58**	**14,87**

a) Ancillary services

Certain types of ancillary services (such as excess baggage fee, rebooking/reissue fee etc.) were recognized on the sales date under IAS 18. According to IFRS 15, an entity shall recognize revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer. The said services are considered as contract modification and are highly dependent on the service of providing the flight. Therefore, they should be recognized on the flight date.

b) Unused tickets

Passengers pay their tickets but do not always exercise their rights and tickets remain unused (breakage). Under IAS18 the Group recognized the expected breakage amount from tickets that remain unused, when the likelihood of the passengers exercising their remaining rights becomes remote. Under IFRS 15, the breakage amount should be recognized in proportion to the pattern of rights exercised by the passengers, using historical trend information. The recognition of breakage under IFRS 15 means that revenue is recognized earlier than previously.

c) Incremental contract costs

The group incurs certain types of costs in order to obtain a customer contract (ticket) that would otherwise not have been incurred. These direct selling costs in obtaining passengers tickets are considered to be incremental contract costs. Under IFRS 15 the said costs are classified in the Current Assets and are amortized on a systematic basis. More specifically, they are allocated to the flight performance obligation and expensed when the flight service is provided to the passenger. Under IFRS 15 these costs are recognized later than previously.

d) Loyalty program

The Company has a loyalty program for its frequent flyers, where members are able to earn points (miles) by flying on Group's or other Star Alliance airlines flights or by making transactions with other non-airline partners. The Group estimates the fair value of unredeemed loyalty points by utilizing historical and statistical data (31/12/2017). IFRS 15 does not preclude or prescribe any particular method for estimating a standalone selling price, as long as the estimate is a faithful representation of the price at which the entity would render the service if it were rendered separately to the customer. Starting from the transition period to IFRS 15, the Group's management determines the fair value of this deferred revenue through actuarial study, using the expected cost plus margin approach.

AEGEAN AIRLINES S.A. amounts in thousand €

The following tables summarizes the cumulative positive impact in retained earnings as at 01/01/2018 from adopting IFRS 15 and IFRS 9 on the Group's and Company's accounts:

Company			
Amounts in mil €	**IFRS 15**	**IFRS 9**	**1/1/2018**
Impact			
Trade and other receivables	0,00	(0,03)	(0,03)
Advances	2,65	0,00	2,65
Other Reserves	0,00	0,06	0,06
Deferred Tax liabilities	(5,99)	0,00	(5,99)
Other Long term liabilities	4,58	0,00	4,58
Liabilities from tickets sold but not flown	11,78	0,00	11,78
Other Long term liabilities	1,56	0,00	1,56
Retained Earnings	**14,58**	**0,03**	**14,61**

Group			
Amounts in mil €	**IFRS 15**	**IFRS 9**	**1/1/2018**
Impact			
Trade and other receivables	0,00	(0,33)	(0,33)
Advances	2,82	0,00	2,82
Other Reserves	0,00	0,06	0,06
Deferred Tax liabilities	(6,12)	0,00	(6,12)
Other Long term liabilities	4,58	0,00	4,58
Liabilities from tickets sold but not flown	12,03	0,00	12,03
Other Long term liabilities	1,56	0,00	1,56
Retained Earnings	**14,87**	**(0,27)**	**14,60**

AEGEAN AIRLINES S.A. amounts in thousand €

The following tables summarize the adjustments/reclassifications recognized by the adoption of the new standards for the period ended at 30/06/2018 accounts:

Company			
Amounts in mil €	**Balances IFRS 15/ IFRS 9**	**Adjustments / Reclassifications**	**Balances IAS 18/ IAS 39**
Statement of Financial Position	**30/06/2018**		**30/06/2018**
Current Assets			
Trade and other receivables	143,64	0,11	143,75
Advances	37,11	(7,58)	29,53
Equity			
Other Reserves	26,96	0,21	27,17
Retained Earnings	34,76	(13,38)	21,38
Long Term Liabilities			
Deferred tax Liabilities	9,85	(5,17)	4,68
Other long term liabilities	22,45	5,29	27,74
Short term liabilities			
Liabilities from tickets sold but not flown	244,49	3,78	248,28
Other short term liabilities	140,79	1,80	142,59
Income Statement	**01/01/2018-30/06/2018**		**01/01/2018-30/06/2018**
Statement of Comprehensive Income			
Revenue	368,46	7,07	375,53
Consumption of goods and services	(338,98)	(4,86)	(343,84)
Finance income	15,05	(0,21)	14,84
Finance expense	(9,27)	0,01	(9,26)
Other comprehensive income			
Available for sale financial assets			
Reclassification of profit/loss	0,00	0,19	0,19
Income Tax	0,00	(0,06)	(0,06)

AEGEAN AIRLINES S.A. amounts in thousand €

Group			
Balances IFRS 15 / IFRS 9	**Balances IFRS 15/ IFRS 9**	**Balances IFRS 15/ IFRS 9**	**Balances IAS18/IAS 39**
Statement of Financial Position	**30/06/2018**		**30/06/2018**
Current Assets			
Trade and other receivables	157,62	0,41	158,03
Advances	38,67	(8,59)	30,08
Equity			
Other Reserves	26,96	0,21	27,17
Retained Earnings	84,23	(16,04)	68,19
Long Term Liabilities			
Deferred tax Liabilities	11,70	(5,29)	6,41
Other long term liabilities	22,45	5,99	28,44
Short term liabilities			
Liabilities from tickets sold but not flown	256,48	4,92	261,40
Other short term liabilities	142,24	2,04	144,28
Income Statement	**01/01/2018-30/06/2018**		**01/01/2018-30/06/2018**
Statement of Comprehensive Income			
Revenue	455,71	5,73	461,45
Consumption of goods and services	(415,23)	(5,76)	(420,99)
Finance income	16,27	(0,21)	16,07
Finance expense	(10,58)	0,01	(10,57)
Other comprehensive income			
Available for sale financial assets			
Reclassification of profit/loss	0,00	0,19	0,19
Income Tax	0,00	(0,06)	(0,06)

- **IFRS 15: Revenue from Contracts with Customers (Clarifications)**

The objective of the Clarifications is to clarify the IASB's intentions when developing the requirements in IFRS 15 Revenue from Contracts with Customers, particularly the accounting of identifying performance obligations amending the wording of the "separately identifiable" principle, of principal versus agent considerations including the assessment of whether an entity is a principal or an agent as well as applications of control principle and of licensing providing additional guidance for accounting of intellectual property and royalties. The Clarifications also provide additional practical expedients for entities that either apply IFRS 15 fully retrospectively or that elect to apply the modified retrospective approach

- **IFRS 2: Classification and Measurement of Share based Payment Transactions (Amendments)**

The Amendments provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, for share-based payment transactions with a net settlement feature for withholding tax obligations and for modifications to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.The above amendment did not have a significant impact on the interim consolidated financial statements for the period ended 30 June 2018.

- **IAS 40: Transfers to Investment Property (Amendments)**

The Amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The Amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. The above amendment did not have a significant impact on the interim consolidated financial statements for the period ended 30 June 2018.

- **IFRIC INTERPETATION 22: Foreign Currency Transactions and Advance Consideration**

The Interpretation clarifies the accounting for transactions that include the receipt or payment of advance consideration in a foreign currency. The Interpretation covers foreign currency transactions when an entity recognizes a non-monetary asset or a non-monetary liability arising from the payment or receipt of advance consideration before the entity recognizes the related asset, expense or income. The Interpretation states that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, then the entity must determine a date of the transactions for each payment or receipt of advance consideration. The above amendment did not have a significant impact on the interim consolidated financial statements for the period ended 30 June 2018.

- The **IASB has issued the Annual Improvements to IFRSs 2014 – 2016 Cycle**, which is a collection of amendments to IFRSs . The following amendment did not have a significant impact on the interim consolidated financial statements for the period ended 30 June 2018.

  - **IFRS 1 First-time Adoption of International Financial Reporting Standards:** This improvement deletes the short-term exemptions regarding disclosures about financial instruments, employee benefits and investment entities, applicable for first time adopters.
  - **IAS 28 Investments in Associates and Joint Ventures:** The amendments clarify that the election to measure at fair value through profit or loss an investment in an associate or a joint venture that is held by an entity that is venture capital organization, or other qualifying entity, is available for each investment in an associate or joint venture on an investment-by-investment basis, upon initial recognition.

B) Standards issued but not yet effective and not early adopted

- **IFRS 16: Leases**

The standard is effective for annual periods beginning on or after 1 January 2019. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'). The new standard requires lessees to recognize most leases on their financial statements. Lessees will have a single accounting model for all leases, with certain exemptions. Lessor accounting is substantially unchanged.

IFRS 16 is expected to have a significant impact on the Group's and Company's Statement of Financial Position due to the right-of-use asset (ROU) recognition of all operating leases as well as the respective interest-bearing liability.
The main lease agreements refer to:

i) Aircrafts,
ii) Airports facilities,
iii) Buildings,
iv) Airport spaces,
v) Spare Engines and
vi) Cars

IFRS 16 permits various approaches, whereas the Group has decided to apply the modified retrospective approach under which the comparative information will not be restated. Specifically, the management elected to follow the method based on which all right-of-use assets (ROU assets) are measured at an amount equal to the lease liability as per January 1, 2019.

Exemptions

The Group intends to use the practical expedient provided by the standard referring to low value and short term lease agreements. Therefore standard requirements concerning the recognition, initial and subsequent measurement as well as the presentation will not be applied in short term lease agreements (lease term of 12 months or less) and lease agreement where the underlying asset is of low value.

In addition, the Group will not proceed in lease and non-lease component separation and all components will be accounted for as a single lease agreement.

Discount Rate

Upon transition, payment obligations from existing operating leases will be discounted using the relevant incremental borrowing rate. The resulting present value will be recognized as a lease liability. The right-of-use assets will be carried in the amount of the lease liability.

Impact in Financial Statements

In order to calculate the estimated impact from IFRS16 on the Consolidated financial statements as per transitional date January 1, 2019, a model calculation is performed. In this calculation the Group is ised the rate of the last available exchange currency as at 30/06/2018 and no variation of echange rates are taken into consideration. Hence, possible exchange differences are not taken into consideration in calculations.

The expected impact on the consolidated statement of Group and Company's Statement of financial Position and statement of comprehensive income is the following:

- Expected initial recognition of right of use asset (ROU) increase of €275m and €339m for the Company and Group respectively ,
- Expected decrease of annual expenses of €98m and €112m for the Company and Group respectively (decrease of operating lease/increase of financial results) ,
- Expected increase in annual depreciation of €102m and €118m for the Company and Group respectively.

The abovementioned impact is expected to bring about not only an increase in cash flows for investment activities in Company's and Group cash flow but also at the same time a decrease in cash flow for operating activities.

The actual impact from the transition to IFRS 16 will be affected by the effective interest borrowing rate of 01/01/2019, the current exchange rate as well as the existing operating lease agreements, and more specifically the termination or extension clauses as of that date.

- **Amendment in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015 the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. The amendments have not yet been endorsed by the EU.

- **IFRS 9: Prepayment features with negative compensation (Amendment)**

The Amendment is effective for annual reporting periods beginning on or after 1 January 2019 with earlier application permitted. The Amendment allows financial assets with prepayment features that permit or require a party to a contract either to pay or receive reasonable compensation for the early termination of the contract (so that, from the perspective of the holder of the asset there may be 'negative compensation'), to be measured at amortized cost or at fair value through other comprehensive income. The above amendment did not have a significant impact on the interim consolidated financial statements for the period ended 30 June 2018.

- **IAS 28: Long-term Interests in Associates and Joint Ventures (Amendments)**

The Amendments are effective for annual reporting periods beginning on or after 1 January 2019 with earlier application permitted. The Amendments relate to whether the measurement, in particular impairment requirements, of long term interests in associates and joint ventures that, in substance, form part of the 'net investment' in the associate or joint venture should be governed by IFRS 9, IAS 28 or a combination of both. The Amendments clarify that an entity applies IFRS 9 Financial Instruments, before it applies IAS 28, to such long-term interests for which the equity method is not applied. In applying IFRS 9, the entity does not take account of any adjustments to the carrying amount of long- term interests that arise from applying IAS 28. These Amendments have not yet been endorsed by the EU.

- **IFRIC INTERPETATION 23: Uncertainty over Income Tax Treatments**

The Interpretation is effective for annual periods beginning on or after 1 January 2019 with earlier application permitted. The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12. The Interpretation provides guidance on considering uncertain tax treatments separately or together, examination by tax authorities, the appropriate method to reflect uncertainty and accounting for changes in facts and circumstances. This Interpretation has not yet been endorsed by the EU

- **IAS 19: Plan Amendment, Curtailment or Settlement (Amendments)**

The Amendments are effective for annual periods beginning on or after 1 January 2019 with earlier application permitted. The amendments require entities to use updated actuarial assumptions to determine current service cost and net interest for the remainder of the annual reporting period after a plan amendment, curtailment or settlement has occurred. The amendments also clarify how the accounting for a plan amendment, curtailment or settlement affects applying the asset ceiling requirements. These Amendments have not yet been endorsed by the EU.

- **Conceptual Framework in IFRS standards**

The IASB issued the revised Conceptual Framework for Financial Reporting on 29 March 2018. The Conceptual Framework sets out a comprehensive set of concepts for financial reporting, standard setting, guidance for preparers in developing consistent accounting policies and assistance to others in their efforts to understand and interpret the standards. IASB also issued a separate accompanying document, Amendments to References to the Conceptual Framework in IFRS Standards, which sets out the amendments to affected standards in order to update references to the revised Conceptual Framework. It's objective is to support transition to the revised Conceptual Framework for companies that develop accounting policies using the Conceptual Framework when no IFRS Standard applies to a particular transaction. For preparers who develop accounting policies based on the Conceptual Framework, it is effective for annual periods beginning on or after 1 January 2020.

- The **IASB has issued the Annual Improvements to IFRSs 2015 – 2017 Cycle**, which is a collection of amendments to IFRSs. The amendments are effective for annual periods beginning on or after 1 January 2019 with earlier application permitted. These annual improvements have not yet been endorsed by the EU.
-
    - **IFRS 3 Business Combinations and IFRS 11 Joint Arrangements:** The amendments to IFRS 3 clarify that when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business. The amendments to IFRS 11 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business.
    - **IAS 12 Income Taxes:** The amendments clarify that the income tax consequences of payments on financial instruments classified as equity should be recognized according to where the past transactions or events that generated distributable profits has been recognized.
    - **IAS 23 Borrowing Costs:** The amendments clarify paragraph 14 of the standard that, when a qualifying asset is ready for its intended use or sale, and some of the specific borrowing related to that qualifying asset remains outstanding at that point, that borrowing is to be included in the funds that an entity borrows generally.

5.5 Seasonality

The Company's and the Group's operating results fluctuate significantly each quarter during the financial year, a trend that is expected to continue in the future, as a result of the demand's seasonality in combination with the relatively high fixed costs of the Company. Historically, the Company's and Group's significant part of revenue from passengers flights is realized between April and September and in a limited degree, during the holiday periods of Easter and Christmas/New Year's. Demand and average fares are generally higher during these periods. Consequently, the Company and the Group present higher revenue during the second and third quarters of the financial year. On the contrary, revenue are lower during the first and fourth quarters, due to lower demand during the winter season. Most of Company's and Group's costs are evenly allocated during the year and therefore it is generally expected that the operating results are lower during the first and fourth quarters.

AEGEAN AIRLINES S.A. amounts in thousand €

5.6 Operating Segments

The Group is managed as one business unit providing high-quality air transport services inside and outside Greece. It was considered appropriate to present information on a single route network sector.
Operations are monitored and managed by the Board of Directors, which acts as the Chief Operating Decision Maker - CODM. For more efficient decision-making, CODM evaluates all necessary information (route revenue, available resources, competition analysis) targeting to maximize the overall Group financial results and not to improve the profitability of a specific route.
Finally it should be noted that profitability is measured on the basis of the result, profit or loss, from operating activities before income tax, without taking into account the finance results and any extraordinary items.

5.7 Intangible assets

As at 30/06/2018 the Company held intangible assets amounting to € 27.234,38 thousand and the Group €44.212,46 thousand.
The changes in the aforementioned amounts are analyzed as follows:

Company	Olympic Brand	Airport Slots	Software Licenses	Other	Total
Cost of acquisition					
Balance January 1st 2017	**0,00**	**22.030,00**	**15.023,50**	**2.696,68**	**39.750,18**
Additions	0,00	0,00	453,10	0,00	453,10
Disposals	0,00	0,00	(151,36)	0,00	(151,36)
Balance June 30th 2017	**0,00**	**22.030,00**	**15.325,24**	**2.696,68**	**40.051,92**
Depreciations					
Balance January 1st 2017	**0,00**	**0,00**	**8.781,43**	**1.797,95**	**10.579,38**
Depreciations	0,00	0,00	862,76	127,26	990,02
Disposals	0,00	0,00	(151,36)	0,00	(151,36)
Balance June 30th 2017	**0,00**	**0,00**	**9.492,83**	**1.925,21**	**11.418,04**
Net Book value at January 1st 2017	**0,00**	**22.030,00**	**5.832,41**	**771,47**	**28.633,88**
Cost of acquisition					
Balance January 1st 2018	**0,00**	**22.030,00**	**16.051,30**	**2.696,68**	**40.777.98**
Additions	0,00	0,00	597,32	0,00	597,32
Balance June 30th 2018	**0,00**	**22.030,00**	**16.648,62**	**2.696,68**	**41.375,30**
Depreciations					
Balance January 1st 2018	**0,00**	**0,00**	**10.862,17**	**2.052,49**	**12.914,66**
Depreciations	0,00	0,00	1.098,99	127,27	1.226,26
Balance June 30th 2018	**0,00**	**0,00**	**11.961,16**	**2.179,76**	**14.140,92**
Net Book value at 30 June 2018	**0,00**	**22.030,00**	**4.687,46**	**516,92**	**27.234,38**

AEGEAN AIRLINES S.A. amounts in thousand €

Group	Olympic Brand	Airport Slots	Software Licenses	Other	Total
Cost of acquisition					
Balance January 1st 2017	**21.750,05**	**22.039,00**	**20.780,02**	**2.696,68**	**67.265,75**
Additions	0,00	0,00	453,10	0,00	453,10
Disposals	0,00	0,00	(151,36)	0,00	(151,36)
Balance June 30rd 2017	**21.750,05**	**22.039,00**	**21.081,76**	**2.696,68**	**67.567,49**
Depreciations					
Balance January 1st 2017	**4.308,57**	**0,00**	**14.112,51**	**1.797,95**	**20.219,02**
Depreciations	206,41	0,00	1.028,03	127,26	1.361,70
Disposals	0,00	0,00	(151,36)	0,00	(151,36)
Balance June 30rd 2017	**4.514,98**	**0,00**	**14.989,18**	**1.925,21**	**21.429,36**
Net Book value at January 1st 2017	**17.235,07**	**22.039,00**	**6.092,58**	**771,47**	**46.138,14**
Cost of acquisition					
Balance January 1st 2018	**21.750,05**	**22.039,00**	**21.917,06**	**2.696,68**	**68.402,79**
Additions	0,00	0,00	597,32	0,00	597,32
Balance June 30rd 2018	**21.750,05**	**22.039,00**	**22.514,38**	**2.696,68**	**69.000,11**
Depreciations					
Balance January 1st 2018	**4.721,40**	**0,00**	**16.515,08**	**2.054,49**	**23.288,97**
Depreciations	206,41	0,00	1.163,00	127,27	1.498,68
Balance June 30rd 2018	**4.927,81**	**0,00**	**17.678,08**	**2.181,76**	**24.787,65**
Net Book value at 30 June 2018	**16.822,24**	**22.039,00**	**4.836,30**	**514,92**	**44.212,46**

The Group performs its annual impairment test of goodwill amounted of €39m every year end (December 31st). The goodwill, arose from acquisition of Olympic Air and included in the financial statements, was examined for impairment with the value-in-use method at 31/12/2017. More specifically, discounted cash flows were used based on the Group 5 years business plan. No need for impairment was occurred, as the CGU (cash generating unit) estimated recoverable amount exceeded the book value at 31/12/2017.
The Group considers the relationship between its market capitalization and its book value, among other factors, when reviewing for indicators of impairment. As at 30/06/2018 the market capitalization of the Group exceeded the book value of its equity by an amount of €373m. Based on above, the Management noted no impairment indicators and therefore no additional actions were performed.

5.8 Tangible assets

(a) The Company's fleet as at 30/06/2018 consisted of 49 aircraft (31/12/2017: 46), as analyzed below:

- 37 Airbus A320
- 11 Airbus A321
- 1 Airbus A319

(b) The Group's fleet as at 30/06/2018 consisted of 61 aircraft (31/12/2017: 46), as analyzed below:

- 37 Airbus A320
- 11 Airbus A321
- 1 Airbus A319
- 8 Bombardier Q400
- 2 Bombardier D100
- 2 ATR 42-600

Four of the above mentioned aircraft are under financial leases while the rest of them are under operating leases.

(c) Table of tangible assets

AEGEAN AIRLINES S.A. amounts in thousand €

Company	Buildings	Aircraft Owned	Finance Leased Aircraft	Aircraft Finance Leased – Maintenance reserves	Aircraft equipment	Airports equipment	Other vehicles	Furniture and other equipment	Total
Cost of acquisition									
Balance January 1st 2017	**10.717,55**	**6.475,32**	**69.723,41**	**68.684,89**	**35.395,98**	**1.769,41**	**1.125,49**	**10.746,67**	**204.638,72**
Additions	13,12	-	232,80	-	107,44	296,11	211,00	256,63	1.117,10
Disposals	-	-	-	(220,57)	-	-	(51,44)	(179,47)	(551,47)
Balance June 30th 20167	**10.730,68**	**6.475,32**	**69.956,21**	**68.464,32**	**35.503,42**	**2.065,52**	**1.285,06**	**10.723,83**	**205.504,35**
Depreciations									
Balance January 1st 2017	**5.311,55**	**3.318,59**	**24.843,01**	**46.977,85**	**11.862,34**	**1.550,54**	**684,72**	**9.174,38**	**103.722,98**
Depreciations	369,92	161,88	1.572,51	3.820,75	1.310,35	37,51	46,92	156,34	7.476,19
Disposals	-	-	-	-	-	-	(51,44)	(68,17)	(119,60)
Balance June 30th 2017	**5.681,47**	**3.480,47**	**16.415,52**	**50.798,60**	**13.172,69**	**1.588,06**	**680,20**	**9.262,55**	**111.079,57**
Depreciable value June 30th 2017	**5.049,21**	**2.994,85**	**43.540,69**	**17.665,52**	**22.330,73**	**477,46**	**604,85**	**1.461,28**	**94.124,79**
Cost of acquisition									
Balance January 1st 2018	**12.203,30**	**6.475,32**	**69.956,21**	**74.733,32**	**35.270,39**	**2.066,59**	**1.057,61**	**11.844,12**	**213.606,87**
Additions	324,05	0,00	0,00	4.802,88	1.991,90	0,00	0,00	886,41	8.005,23*
Disposals	0,00	0,00	0,00	0,00	0,00	0,00	(2,69)	(5,19)	(7,87)
Balance June 30th 2018	**12.527,35**	**6.475,32**	**69.956,21**	**79.536,20**	**37.262,29**	**2.066,59**	**1.054,92**	**12.725,34**	**221.604,23**
Depreciations									
Balance January 1st 2018	**6.270,53**	**3.642,35**	**27.990,79**	**55.402,82**	**14.370,36**	**1.627,31**	**513,74**	**9.462,59**	**119.280,50**
Depreciations	573,38	161,88	1.575,27	3.632,37	1.285,37	38,95	60,99	277,53	7.605,73
Disposals	0,00	0,00	0,00	0,00	0,00	0,00	(2,69)	(5,19)	(7,87)
Balance June 30th 2018	**6.843,91**	**3.804,23**	**29.566,06**	**59.035,20**	**15.655,73**	**1.666,26**	**572,05**	**9.734,93**	**126.878,35**
Depreciable value June 30th 2018	**5.683,44**	**2.671,09**	**40.390,16**	**20.501,01**	**21.606,57**	**400,33**	**482,87**	**2.990,41**	**94.725,87**

**A part of the amount of €8.005,23 thousand, amounted to €4.802,88 thousand refers to the capitalization of maintenance expense of finance lease aircrafts. This amount is also presented in operating cash flows in the Cash Flow Statement.*

AEGEAN AIRLINES S.A. amounts in thousand €

Group	Buildings	Aircraft Owned	Finance Leased Aircraft	Aircraft Finance Leased – Maintenance reserves	Aircraft equipment	Airports equipment	Other vehicles	Furniture and other equipment	Total
Cost of acquisition									
Balance January 1st 2017	**10.717,55**	**6.475,32**	**69.723,41**	**68.684,89**	**34.446,06**	**1.769,41**	**1.302,40**	**15.238,91**	**208.357,96**
Additions	13,12	-	232,80	-	107,44	296,11	211,00	261,99	1.122,46
Disposals	-	-	-	(220,57)	-	-	(51,44)	(279,47)	(551,47)
Balance June 30th 2017	**10.730,68**	**6.475,32**	**69.956,21**	**68.464,32**	**34.553,50**	**2.065,52**	**1.461,97**	**15.221,43**	**208.928,995**
Depreciations									
Balance January 1st 2017	**5.311,55**	**3.318,59**	**24.843,01**	**46.977,85**	**11.829,04**	**1.661,99**	**842,18**	**12.916,97**	**107.589,76**
Depreciations	369,92	161,88	1.572,51	3.820,75	1.262,85	37,51	48,23	332,16	7.605,82
Disposals	-	-	-	-	-	-	(51,44)	(68,14)	(119,57)
Balance June 30th 2017	**5.681,47**	**3.480,47**	**26.415,52**	**50.798,60**	**13.091,89**	**1.588,06**	**838,97**	**13.181,00**	**115.075,98**
Depreciable value June 30th 2017	**5.049,21**	**2.994,85**	**43.540,69**	**17.665,72**	**21.461,62**	**477,46**	**622,99**	**2.040,46**	**93.582,98**
Cost of acquisition									
Balance January 1st 2018	**12.203,30**	**6.475,32**	**69.956,21**	**74.733,32**	**34.320,48**	**2.066,59**	**1.234,53**	**16.606,05**	**217.595,80**
Additions	324,05	-	-	4.802,88	1.991,90	-	-	907,35	8.026,18*
Disposals	-	-	-	-	-	-	(2,69)	(5,19)	(7,87)
Balance June 30th 2018	**12.527,35**	**6.475,32**	**69.956,21**	**79.536,20**	**36.312,38**	**2.066,59**	**1.231,84**	**17.508,22**	**225.614,11**
Depreciations									
Balance January 1st 2018	**6.270,53**	**3.642,35**	**27.990,79**	**55.402,82**	**14.242,06**	**1.627,31**	**673,84**	**13.554,22**	**123.403,93**
Depreciations	573,38	161,88	1.575,27	3.632,37	1.237,87	38,95	62,30	425,80	7.707,82
Disposals	-	-	-	-	-	-	(2,69)	(5,19)	(7,87)
Balance June 30th 2018	**6.843,91**	**3.804,23**	**29.566,06**	**59.035,20**	**15.479,93**	**1.666,26**	**733,46**	**13.974,84**	**131.103,88**
Depreciable value June 30th 2018	**5.683,44**	**2.671,09**	**40.390,16**	**20.501,01**	**20.832,45**	**400,33**	**498,39**	**3.533,42**	**94.510,24**

**A part of the amount of €8.005,23 thousand, amounted to €4.802,88 thousand refers to the capitalization of maintenance expense of finance lease aircrafts*
This amount is also presented in operating cash flows in the Cash Flow Statement

AEGEAN AIRLINES S.A. amounts in thousand €

5.9 Investments in subsidiaries

Investments in subsidiaries are analyzed as follows:

Company	Country of activity	Participation	30/06/2018	31/12/2017
Olympic Air S.A.	Greece	100%	62.416,56	62.416,56
Aegean Airlines Cyprus LTD	Cyprus	100%	10.000,00	10.000,00
Investment in subsidiaries			**72.416,56**	**72.416,56**

5.10 Advances for assets acquisition

In June 2018 the Company has signed a Purchase Agreement with Airbus for up to 42 new generation aircraft of the A320neo family. The increase of advances is mainly due to the related Pre Delivery payment according to the above mentioned Purchase Agreement.

5.11 Financial Assets

The amount of €12.705.39 relates to Company's investment in corporate bonds traded in primary and secondary markets. The amount of €525,00 relates to Company's investment in shares traded in primary and secondary markets. The abovementioned amounts are classified as available for sale financial assets measured at fair value (Hierarchy Level 1) (Note 5.14) .

During the first semester the Company and the Group were accomplished purchases of financial assets amounted to €5.654,50 thousand.

During the period ended in 30/6/18, no transfers of financial assets between Level 1 and Level 2 Hierarchies were made.

5.12 Trade and other trade receivables

Trade and other trade receivables are analyzed below :

	Company		Group	
	30/06/2018	**31/12/2017**	**30/06/2018**	**31/12/2017**
Domestic customers	17.877,76	6.203,59	6.006,48	5.790,79
Foreign customers	3.669,86	4.561,54	3.911,62	7.784,02
Greek State	1.244,70	1.411,49	5.592,47	1.710,00
Other debtors	57.299,73	42.745,41	85.567,70	62.117,54
Accrued income	58.434,15	32.904,87	51.089,25	30.586,54
Advances to suppliers	5.111,21	15.695,39	5.455,88	7.567,97
Total	**143.637,42**	**103.522,29**	**157.623,38**	**115.556,86**

Other debtors include receivables from ticket sales through IATA travel agents and tickets sold from/to other airline companies.

Accrued income refers to 1st semester ticket revenue actually invoices subsequently to 30/06/2018. The amount mainly includes interline revenues and revenue from redemption/conversion of award points of Company's loyalty program.

Amounts are increased compared to 31/12/2017 due to seasonality reasons.

The majority of trade receivables is considered to be short-term. Therefore its fair value is not considered to be materially different from its book value.

AEGEAN AIRLINES S.A. amounts in thousand €

5.13 Cash and cash equivalents – Restricted Cash

Cash and cash equivalents of the Company and the group are analyzed as follows:

	Company		Group	
	30/06/2018	**31/12/2017**	**30/06/2018**	**31/12/2017**
Cash	261,66	363,03	282,89	407,72
Current accounts	233.537,45	129.994,73	263.397,34	156.290,67
Short term time deposits	56.977,80	66.175,76	99.160,55	118.362,75
Cash equivalents	19.168,53	18.662,44	19.168,53	18.662,44
Total	**309.945,45**	**215.195,95**	**382.009,31**	**293.723,58**

Cash equivalent refer to low risk investments which are immediately liquidated (less than 3 months). Amounts are increased compared to 31/12/2017 due to seasonality reasons.

Part of Company's and Group's cash and cash equivalent, amounting to €94,35m (31/12/2017: €68,54m) and €98,81m (31/12/2017: €73,05m) respectively, include cash denominated in foreign currency (mainly USD).

The Group's restricted cash as at 30/06/2018 amounted at €1.115,11 thousand (31/12/2017 €7.207,93 thousand), concerning cash collateral provided to third parties, in the context of contracts for derivative financial instruments used as security for hedging contracts.

5.14 Liabilities from finance leases

Liabilities from the four aircraft finance leases are analyzed below :

	Company		Group	
Future Payments	**30/06/2018**	**31/12/2017**	**30/06/2018**	**31/12/2017**
Up to 1 year	11.284,55	10.743,86	11.284,55	10.743,86
Between 1 to 5 years	18.514,61	23.150,75	18.514,61	23.150,75
Total	**29.799,16**	**33.894,61**	**29.799,16**	**33.894,61**
Financial expense	**2.201,78**	**2.273,64**	**2.201,78**	**2.273,64**

Present value of future payments	**30/06/2018**	**31/12/2017**	**30/06/2018**	**31/12/2017**
Up to 1 year	10.335,97	9.867,68	10.335,97	9.867,68
Between 1 to 5 years	17.261,41	21.753,29	17.261,41	21.753,29
Total	**27.597,38**	**31.620,97**	**27.597,38**	**31.620,97**

Within the current period, the Company paid an amount of € 4.844,62 thousand (30/06/2017: € 5.353,63 thousand) related to financial lease capital.

5.15 Provisions

(a) Tax unaudited years

The Company has been tax audited for the fiscal years 2007-2010 by the tax authorities and for the fiscal years 2011- 2017 according to the tax legislation (2238/1994 and 4174/2013) by the Certified Accountants.

The subsidiary Olympic Air S.A. has been tax audited for the fiscal years 2011-2017 according to the tax legislation (2238/1994 and 4174/2013) by the Certified Accountants. Within September 2017, Olympic Air received a tax audit announcement by the tax authorities for the fiscal year 2012.

AEGEAN AIRLINES S.A. amounts in thousand €

For the year ended December 31, 2017, the Company and its subsidiary Olympic Air have been subject to the tax audit of the Certified auditors referred to the Article 65A of Law 4174/1313. This audit is in progress and the relevant tax certificates are expected to be issued. If, until the completion of the tax audit, additional tax liabilities arise, we assume that they will not have a material impact on the interim financial statements of the Group.

The Company and the Group has not established any tax provisions.

The amount of €468,97 thousand refers to tax audit differences that were attributed to the audit carried out by the tax authorities for the fiscal years 2007-2011 and for which the Company has appealed to the tax courts.
The amount was offset against the counterpart claim included in the item "Other long-term receivables".
The respective classification is performed for 31/12/2017 .

(b) Maintenance reserves
The accumulated provision for future aircraft maintenance is as follows:

	Company		Group	
	30/06/2018	**31/12/2017**	**30/06/2018**	**31/12/2017**
Balance as at January 1st	**4.757,48**	**6.092,66**	**9.633,85**	**15.236,24**
Current period's provision	60.191,42	129.801,88	64.427,48	133.505,87
Less: Provision utilization	(60.169,16)	(131.137,06)	(64.984,94)	(139.108,26)
Balance as at closing date	**4.779,74**	**4.757,48**	**9.076,39**	**9.633,85**

(c) Other Provision

The Company has established a provision for litigation cases amounting to € 320,71 thousand. The corresponding amount for the Group amounted to EUR 440,84 thousand.

5.16 Other long-term liabilities

Other long-term liabilities refer to the long-term portion liability from customers' loyalty program amounted of € 22.453,94 thousand (31/12/2017: € 18.034,54 thousand)

5.17 Suppliers and Other Liabilities

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

	Company		Group	
	30/06/2018	**31/12/2017**	**30/06/2018**	**31/12/2017**
State-owned entities	24,56	43,00	24,56	43,00
Foreign suppliers	32.905,11	20.236,08	41.291,76	21.645,05
Domestic suppliers	28.763,06	18.212,11	57.741,18	35.925,48
Total	**61.692,73**	**38.491,19**	**99.057,50**	**57.613,53**

Foreign suppliers' amount mainly contain Company's liabilities referring to aircraft maintenance, leases and fuel cost.
Short-term portion of customers' loyalty program included in "Suppliers and other liabilities" (€ 15.362,11 thousand) in previous year, but was reclassified the current fiscal year for better presentation and comparability purposes to "Other liabilities" (Note 5.18). The same classification was performed for the 31/12/2017.

Suppliers' and other liabilities' carrying amount approximates their fair value.

AEGEAN AIRLINES S.A. amounts in thousand €

5.18 Other short term liabilities

	Company		Group	
	30/06/2018	**31/12/2017**	**30/06/2018**	**31/12/2017**
Social Security Organization	2.534,04	4.828,67	2.828,90	5.449,09
Other short term liabilities	7.892,41	15.812,81	8.564,99	20.145,33
Customers advances	15.395,06	8.334,27	15.543,63	9.147,49
Tax – Stamp duty on employees' benefits	38.887,67	25.066,37	39.221,83	25.831,32
Airport taxes and charges	65.917,03	39.893,28	65.918,86	40.074,27
Vat payable	2.503,61	2,98	2.503,61	2,98
Payable installment for purchase of subsidiary	7.661.32	15.362,11	7.661,32	15.362,11
Total	**140.791,15**	**109.300,49**	**142.243,14**	**116.012,58**

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.

Short term liabilities from loyalty programs are included in "Trade and other receivables" in 31/12/2017 (amounted of € 15.362,11 thousand), but for better presentation purposes for 30/06/2018 are included in "Other short term Liabilities". The respective classification is performed for the 31/12/2017.

The liabilities from loyalty programs refer to the miles that the Company and the Group estimate that will be redeemed in 12 months.

5.19 Liabilities from tickets sold but not flown

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

Amounts are increased compared to 31/12/2017 due to seasonality reasons.

5.20 Hedging Derivatives

	Company		Group	
	30/06/2018	**31/12/2017**	**30/06/2018**	**31/12/2017**
Hedging derivatives (assets)				
Forward contracts in US $ - Cash flow hedging	5.066,02	161,58	5.066,02	161,58
Commodities' swaps (jet fuel) - Cash flow hedging	27.169,56	17.221,72	27.169,56	17.221,72
Receivables from hedging derivatives	**32.235,58**	**17.383,30**	**32.235,58**	**17.383,30**
Hedging derivatives (liabilities)				
Forward contracts in US $ - Cash flow hedging	11.011,64	25.780,66	11.011,64	25.780,66
Commodities' swaps (jet fuel) - Cash flow hedging	100,37	0,00	100,37	0,00
Interest rate swaps - Cash flow hedging	46,44	194,02	46,44	194,02
Liabilities from hedging derivatives	**11.158,45**	**25.974,68**	**11.158,45**	**25.974,68**

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

Hedging derivatives are classified either as assets or liabilities. Hedging derivative fair value that has been is qualified as a hedging instrument is classified either as a non-current asset or a non- current liability (if hedged item maturity is more than 12 months) or as a current asset or a current liability (if hedged item maturity is less than 12 months).

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

Forward contracts are used for cash flow hedging of risk relating to USD/EURO exchange rate movement. As at 30/06/2018, the Company had entered into forward contracts to hedge 56% of its estimated needs in US dollar for the 2nd semester of 2018, and 60% for 2019 (future transactions). As at 31/12/2017, the Company had entered into forward contracts to hedge 58% of its estimated needs in US dollar for 2018 and 21% for 2019.
The nominal amount of open forward contracts at 30/06/2018 was € 416.881,11 thousand (2017: € 345.201,37 thousand) (Hierarchy Level 2).

Maturity	Face Value in $ .000 30/06/2018	Face Value in $ .000 31/12/2017
2018	156.000	300.000
2019	330.000	114.000
Total	**486.000**	**414.000**

(b) Commodity swaps (Jet fuel swaps)

As at 30/06/2018 the Company had entered into jet fuel swaps of 310,5 thousand metric tons, which cover approximately 78% of its estimated fuel needs for the 2nd semester of 2017 and 50% for 2018 (future transactions).
As at 31/12/2017 the Company had entered into jet fuel swaps of 226,5 thousand metric tons, which would cover approximately 58% of its estimated fuel needs for 2018 and 1% for 2019.
The above mentioned derivative contracts are used for cash flow hedging purposes of the risk relating fuel prices increase.
The nominal amount of open swap contracts at 30/06/2018 was € 161.362,90 thousand (31/12/2017: € 98.531,35 thousand) (Hierarchy Level 2).

Maturity	Metric Tones 30/06/2018	Metric Tones 31/12/2017
2018	118.500	223.500
2019	192.000	3.000
Total	**310.500**	**226.500**

(c) Interest rate swaps

Interest Rate Swaps (IRS) are used as hedging instruments for cash flow hedging purposes of floating rate financial liabilities for the 37% (31/12/2017: 40%) of finance leases obligations.
The nominal amount of open IRS contracts at 30/06/2018 was € 10.265,75 (31/12/2017: € 13.187,93) (Hierarchy Level 2).

Derivatives are measured at closing date fair value. Fair values are provided by the financial institutions and they represent, in good faith, assumptions and estimations of the abovementioned institutions based on the available information for the market trends. The parameters used to calculate the fair value differ depending on the type of derivative.

5.21 Revenue

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

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

	Company		Group	
	30/06/2018	**30/06/2017**	**30/06/2018**	**30/06/2017**
Income from scheduled flights	270.434,23	276.474,75	388.103,79	376.028,56
Income from charter flights	50.140,03	43.154,38	20.610,09	21.210,21
Other operating income	47.886,45	51.806,78	46.999,83	53.435,73
Total	**368.460,71**	**371.435,91**	**455.713,70**	**450.674,50**

5.22 Financial income / expense

Financial income / expense analysis is as follows:

	Company		Group	
	30/06/2018	**30/06/2017**	**30/06/2018**	**30/06/2017**
Long-term liabilities interest and expenses	59,15	173,61	59,15	173,61
Short-term liabilities interest and expenses	1,14	509,47	1,14	509,47
Bank Guarantee commissions	287,30	492,18	354,92	492,72
Finance leases interest	492,83	469,85	492,83	469,85
Foreign exchange losses	8.190.63	18.031,43	9.398,79	20.171,80
Other financial expenses	242,99	228,53	274,18	256,67
Total financial expenses	**9.274.05**	**19.905,07**	**10.581,01**	**22.074,12**
Interest income	679,97	570,75	708,34	717,82
Foreign exchange gains	14.369,92	12.621,15	15.564,07	14.086,42
Total financial income	**15.049,89**	**13.191,90**	**16.272,41**	**14.804,24**

Foreign exchange gains and losses are basically reflect significant volume of transactions (receipts/payments) performed by the Company or the Group in foreign currencies.

5.23 Income tax

Income tax is analyzed below:

	Company		Group	
	30/06/2018	**30/06/2017**	**30/06/2018**	**30/06/2017**
Deferred tax	4.009,29	6.317,34	4.503,11	6.653,54
Total Tax	**4.009,29**	**6.317,34**	**4.503,11**	**6.653,54**

5.24 Existing encumbrances

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

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

5.25 Commitments

Commitments mainly refer to Group and Company operating lease obligations from leased aircrafts and spare engines and leases of buildings that it uses to meet its operational needs.

	Company		Group	
	30/06/2018	**30/06/2017**	**30/06/2018**	**30/06/2017**
Up to 1 year	113.466,69	113.273,96	131.871,31	132.046,11
Between 1 and 5 years	220.361,37	265.367,45	288.040,99	331.622,24
More than 5 years	10.499,13	32.670,13	13.829,97	49.613,53
Total	**344.327,19**	**411.311,54**	**433.742,28**	**513.281,89**

5.26 Contingent assets and liabilities

Legal or in arbitration disputes

The pending legal or in arbitration disputes are not expected to have a material effect in Group or Company's financial position or operation.

Contingent liabilities

Total third party legal claims (pending in court) against Company an Group amount to € 225,72 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.

5.27 Related parties transactions and balances

Company's most significant transactions and balances with related parties according to IAS 24, appear on the following table:

	Company	
Transactions with companies owned by the major shareholder	**30/06/2018**	**31/12/2017**
Receivables (period end balance from sale of goods- rendering of services)	139,04	120,81
Payables (period end balance from purchase of goods- rendering of services)	213,99	193,76
Transactions with subsidiaries		
Receivables (period end balance from sale of goods- rendering of services)	12.488,39	9.658,09
Payables (period end balance from purchase of goods- rendering of services)	0,31	0,00
Transactions with other companies owned by the major shareholder		
Receivables (period end balance from sale of goods- rendering of services)	46,23	59,55
Payables (period end balance from purchase of goods- rendering of services)	185,75	122,93

AEGEAN AIRLINES S.A. amounts in thousand €

	Group	
Transactions with companies owned by the major shareholder	**30/06/2018**	**31/12/2017**
Income – Services rendered by the Company	579,43	1.181,08
Expenses – Services rendered to the Company	832,35	1.807,45
Transactions with subsidiaries		
Income – Services rendered by the Company	40.484,17	43.702,13
Expenses – Services rendered to the Company	85.292,43	184.949,73
Transactions with other companies owned by the major shareholder		
Income – Services rendered by the Company	151,39	188,91
Expenses – Services rendered to the Company	464,33	643,88

The above transactions with companies owned by the major shareholder of the Company relate mainly to rental expenses and render of services. Transactions with the subsidiary are mainly relate to aircraft leases and render of other services. All transactions are on arm's length basis.

It should also be highlighted that according to article 23 section 2 of Law 2190/20 the Annual Shareholders Meeting has approved unanimously an agreement between the Company and company TEMES SA, whose chairman of BoD and shareholder is a member of the Company's BoD and shareholder, Mr. Achilleas Constantakopoulos. The agreement relates to the performance of scheduled flights to/from Kalamata, with agreed frequencies and capacity, with Airbus A320 and A319 aircraft, according to the relevant contract terms.

5.28 Transactions with directors and Board of Directors members

Compensation to directors and BoD members is analyzed below :

	Company		Group	
	30/6/2018	**30/6/2017**	**30/6/2018**	**30/6/2017**
BoD members remunerations	0,00	750,00	0,00	750,00
Directors' remunerations	927,63	881,29	996,46	947,20
Directors' social insurance expenses	121,77	127,18	132,99	138,48
Directors benefits in kind and other payments	157,25	154,20	162,04	159,06
Total	**1.206,66**	**1.912,68**	**1.291,49**	**1.994,75**
Payables to Directors and BoD members	50,14	446,14	54,22	453,65

There are no other transactions, claims or liabilities with Group directors or BoD members.

5.29 Risk management

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

Foreign currency risk
Due to its business operation, Group is exposed to foreign exchange rates variations, mainly related to US Dollar. This kind of risk basically arises from transactions in foreign currency. Group's exposure to foreign exchange risk varies within the period, depending on the volume of transactions in foreign currency.
The Group enters into forward contracts to hedge foreign currency risk.

AEGEAN AIRLINES S.A. amounts in thousand €

Interest rate risk
Group's policy is to minimize interest rate cash flow risk on long – term financing.
The Group has hedged a portion of its financial leases obligations, to cover its exposure in interest rate risk.

Jet fuel risk
The Group is exposed to oil price fluctuations which directly influence aircrafts' jet fuel price. The Group enters into jet fuel derivative contracts in order to hedge part of its estimated fuel needs.

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.

Credit risk
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 exposure to individual financial institutions. With respect to its deposits, the Group is dealing only with reputable financial institutions which have high credit ratings.

Fair Value Hierarchy Levels				
Company 30/06/2018	**Type of Derivative**	**Level 1**	**Level 2**	**Level 3**
Assets	(FWD)		5.066,02	0,00
USD Derivatives	(FWD)		27.169,56	0,00
Jet fuel Derivatives	(IRS)		0,00	0,00
IRS Derivatives		13.230,39		
Bonds & Stocks		**13.230,39**	**32.235,58**	**0,00**
Total				
Liabilities	(FWD)		(11.011,64)	0,00
USD Derivatives	(FWD)		(100,37)	0,00
Jet fuel Derivatives	(IRS)		(46,44)	0,00
IRS Derivatives			**(11.158,45)**	**0,00**

amounts in thousand €

Company 31/12/2017	Type of Derivative	Level 1	Level 2	Level 3
Assets				
USD Derivatives	(FWD)	0,00	161,58	0,00
Jet fuel Derivatives	(FWD)	0,00	17.221,72	0,00
IRS Derivatives	(IRS)	0,00	0,00	0,00
Bonds & Stocks		7.508,58	**0,00**	**0,00**
Total		**7.508,58**	**17.383,31**	**0,00**
Liabilities				
USD Derivatives	(FWD)	0,00	(25.780,66)	0,00
Jet fuel Derivatives	(FWD)	0,00	0,00	0,00
IRS Derivatives	(IRS)	0,00	(194,02)	0,00
Total		**0,00**	**(25.974,68)**	**0,00**

Fair Value Hierarchy Levels				
Group 30/06/2018	**Type of Derivative**	**Level 1**	**Level 2**	**Level 3**
Assets				
USD Derivatives	(FWD)		5.066,02	0,00
Jet fuel Derivatives	(FWD)		27.169,56	0,00
IRS Derivatives	(IRS)		0,00	0,00
Bonds & Stocks		13.230,39		
Total		**13.230,39**	**32.235,58**	**0,00**
Liabilities				
USD Derivatives	(FWD)		(11.011,64)	0,00
Jet fuel Derivatives	(FWD)		(100,37)	0,00
IRS Derivatives	(IRS)		(46,44)	0,00
Total			**(11.158,45)**	**0,00**

Fair Value Hierarchy Levels	Type of Derivative	Level 1	Level 2	Level 3
Group 31/12/2017				
Assets				
USD Derivatives	(FWD)		161,58	
Jet fuel Derivatives	(FWD)		17.221,72	
IRS Derivatives	(IRS)		0,00	
Bonds & Stocks		7.508,58		
Total		**7.508,58**	**17.383,31**	
Liabilities				
USD Derivatives	(FWD)		(25.780,66)	
Jet fuel Derivatives	(FWD)		0,00	
IRS Derivatives	(IRS)		(194,02)	
Total			**(25.974,68)**	

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

Level 1 values refer to published prices and Level 2 values are based on measurement techniques.
In particular, bonds and shares are traded in active markets and they are measured at their market price at the balance sheet date. Hedging derivatives are measured using international pricing platforms.

The amounts presented in the financial statements for cash, trade and other receivables, financial assets, trade and other short-term liabilities and short-term borrowings are close to their fair values due to their short-term maturity .

5.30 Dividends

The Annual Shareholders Meeting which took place on May 16th 2018, approved the distribution of a dividend equal to € 0,55 per share, for a gross amount of € 39.279.405,00, while the net amount (after withholding tax deduction according to Law 4172) was € 35.860.088,20. Up to 30/06/2018 the distributed amount was € 35.474.206,81.

5.31 Significant Events

At June 21st 2018 the BoD has approved the Purchase Agreement with Airbus for up to 42 A320neo family aircraft.
The agreement with Airbus refers to 30 firm aircraft order of Airbus A320neo family (A320neo & A321neo), with the option for 12 additional aircraft (Note. 5.10).

Additionally, in the first semester of 2018 the Group has added 3 A321ceo aircraft in its fleet under operating leases.

5.32 Subsequent Events

There are no subsequent events.

Kifissia, August 30rd 2018

Chairman of the BoD	Chief Executive Officer	Chief Financial Officer	Chief Accountant
Eftichios Vasilakis	Dimitrios Gerogiannis	Michael Kouveliotis	Maria Zannaki
I.D. no. AN049866	I.D. no. AB642495	I.D. no. P490629	I.D. no. Σ723984

E. Financial Data and Information for the period 01.01.2018 – 30.06.2018

AEGEAN
A STAR ALLIANCE MEMBER

AEGEAN AIRLINES S. A.

SUMMARY FINANCIAL DATA AND INFORMATION FOR THE PERIOD FROM 1 JANUARY 2018 TO 30 JUNE 2018

(In accordance with Art. 4 of Law 4403/2016)

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
Certified Auditor : Kaminaris Vassilios AM 20411
Auditing Company : Ernst & Young (Hellas) SA
Review of Financial Information : Unqualified opinion

Supervising Authority : Ministry of Development
Website address : www.aegeanair.com
Date of Approval of Financial Statements : August 30rd 2018

FINANCIAL POSITION

	Company		Group	
	30/6/2018	**31/12/2017**	**30/6/2018**	**31/12/2017**
ASSETS				
Tangible assets	94.725,87	94.326,38	94.510,24	94.191,86
Investments in subsidaries	72.416,56	72.416,56	0,00	0,00
Goodwill	0,00	0,00	39.756,30	39.756,30
Intagible assets	27.234,38	27.863,32	44.212,46	45.113,82
Other non current assets	62.834,52	21.988,14	67.378,62	25.896,04
Inventories	10.103,69	8.964,05	16.550,34	15.193,25
Customers and other trade receivables	143.637,42	103.522,29	157.623,38	115.556,86
Cash and cash equivalents	309.945,45	215.195,95	382.009,31	293.723,58
Other current assets	77.085,21	50.153,65	78.646,11	52.149,87
TOTAL ASSETS	**797.983,09**	**594.430,34**	**880.686,77**	**681.581,59**
EQUITY AND LIABILITIES				
Share capital	46.421,11	46.421,11	46.421,11	46.421,11
Additional paid-in capital and reserves	134.494,95	150.101,54	183.971,48	201.519,19
Total shareholders' equity (a)	**180.916,06**	**196.522,65**	**230.392,59**	**247.940,31**
Long term bank loans	0,00	0,00	0,00	0,00
Provisions and other long term liabilities	69.517,09	64.497,93	76.117,02	71.439,48
Short term bank loans	0,00	0,00	0,00	0,00
Other short term liabilities	547.549,95	333.409,76	574.177,15	362.201,80
Total liabilities (b)	**617.067,04**	**397.907,70**	**650.294,18**	**433.641,28**
EQUITY AND LIABILITIES (c) = (a) + (b)	**797.983,09**	**594.430,34**	**880.686,77**	**681.581,59**

STATEMENT OF COMPREHENSIVE INCOME

	Company		Group	
	01/01-30/06/2018	**01/01-30/06/2017**	**01/01-30/06/2018**	**01/01-30/06/2017**
Revenue	368.460,71	371.435,91	455.713,71	450.674,50
Gross profit	(10.744,31)	(4.120,12)	(1.400,93)	4.612,15
EBIT	(21.600,96)	(18.691,45)	(23.948,63)	(19.421,20)
Profit / (loss) before tax	**(15.825,13)**	**(25.404,61)**	**(18.257,23)**	**(26.691,08)**
Income tax	4.009,29	6.317,34	4.503,11	6.653,54
Profit / (loss) after tax (a)	**(11.815,84)**	**(19.087,28)**	**(13.754,12)**	**(20.037,54)**
Other Total Comprehensive Income (b)	20.879,91	(41.362,24)	20.879,91	(41.548,62)
Total Comprehensive Income (a)+(b)	**9.064,07**	**(60.449,52)**	**7.125,79**	**(61.586,15)**
Basic earnings after tax per share in €			(0,1926)	(0,2806)
EBITDA	8.831,99	(10.225,23)	(14.742,13)	(10.453,68)

STATEMENT OF CHANGES IN EQUITY

	Company		Group	
	30/6/2018	**30/6/2017**	**30/6/2018**	**30/6/2017**
Equity balance at the year's beginning (1.1.2018 &1.1.2017 respectively)	196.522,65	214.497,15	247.940,31	244.271,05
Dividends paid	(39.279,40)	(28.566,84)	(39.279,40)	(28.566,84)
Profit / (Loss)	(11.815,84)	(19.087,28)	(13.754,12)	(20.037,54)
Other total comprehensive income after tax	20.879,91	(41.362,24)	20.879,91	(41.548,63)
IFRS 9 , 15 impact	14.608,74	0,00	14.605,88	0,00
Balance at the end of period (30.06.2018 & 30.06.2017 respectively)	**180.916,06**	**125.480,80**	**230.392,59**	**154.118,07**

CASHFLOW STATEMENT (INDIRECT METHOD)

	Company		Group	
	30/6/2018	**30/6/2017**	**30/6/2018**	**30/6/2017**
Operating activities				
Profit / (loss) before taxes	**(15.825,13)**	**(25.404,61)**	**(18.257,23)**	**(26.691,08)**
Plus /(less) adjustments for:				
Depreciation	8.831,99	8.466,21	9.206,49	8.967,52
Provisions	(793,13)	1.169,25	(1.372,85)	1.184,64
Foreign exchange differences	(6.111,98)	5.404,80	(6.097,97)	5.985,42
(Profit) / loss from investing activities	(747,28)	(565,27)	(775,65)	(712,34)
Finance Cost	1.083,42	1.873,64	1.114,60	1.902,33
Cash flows from operating activities before changes in working capital				
(Increase) / Decrease in inventories	(1.139,64)	(519,04)	(1.357,09)	835,22
(Increase) / Decrease in trade & other receivables	(58.283,20)	(63.406,78)	(59.797,86)	(69.986,53)
Increase / (Decrease) in payables (other than banks)	243.560,49	196.490,18	241.453,28	211.692,96
Interest expenses paid	(928,59)	(1.209,45)	(959,77)	(1.238,14)
Income tax payments	0,00	(4.507,82)	0,00	(4.507,82)
Net cash flows from operating activities (a)	**169.646,97**	**117.791,11**	**163.155,94**	**127.432,18**
Investing Activities				
Purchases of assets	(3.799,65)	(1.570,19)	(3.820,64)	(1.575,55)
Sales of tangible & intangible assets	7,87	0,00	7,87	0,00
Downpayments for purchases of tangible assets	(33.583,61)	0,00	(33.583,61)	0,00
Purchace of financial assets	(5.654,50)	(450,00)	(5.654,50)	(450,00)
Sale of financial assets	0,00	598,49	0,00	1.322,57
Interest and other financial income received	398,01	219,41	426,38	238,95
Net cash flows from investing activities (b)	**(42.631,88)**	**(1.202,29)**	**(42.624,50)**	**(464,03)**
Financing Activities				
Dividends paid	(35.474,21)	(28.523,05)	(35.474,21)	(28.523,05)
Changes in financial leases capital	(4.844,62)	(5.353,63)	(4.844,62)	(5.353,63)
Net cash flows from financing activities (c)	**(40.318,83)**	**(33.876,68)**	**(40.318,83)**	**33.876,68**
Net increase / (decrease) in cash and cash equivalents (a)+(b)+(c)	**86.696,25**	**82.712,14**	**80.212,62**	**93.091,47**
Cash and cash equivalents at the beginning of the period	**222.403,88**	**194.454,36**	**300.931,52**	**248.477,75**
Net foreign exchange differences	1.960,42	(7.664,04)	1.980,29	(7.968,94)
Cash and cash equivalents at the end of the period	**311.060,56**	**269.502,46**	**383.124,42**	**333.600,28**

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
AEGEAN AIRLINES CYPRUS LTD	CYPRUS	100%	Full

2. The Company has been audited for the fiscal years 2011 till 2017 by Certified Auditors Acccountants according to the tax legislation (POL 1159/2011 & POL 1124/2015). The subsidiary Olympic Air SA has been tax audited for the fiscal years 2011 till 2017 by Certified Auditors Accountants according to the tax legislation (POL 1159/2001 & POL 1124/2015).

3. The Company and the Group have established a provision of €4.779,74 thousands and € 9.076,39 thousands, respectively, related to future aircraft maintenance obligations (Note 5.15b of the Financial Statements).

4. There are no pending judicial cases or court decisions, which may have a material impact on the financial status of the Company or the Group. The Group has established a provision amounting to € 440,84 thousands regarding pending legal cases .

5. Total number of employees as at 30/06/2018 was 2.783 for the Company and 3.022 for the Group and as at 30/06/2017 was 2.700 for the Company and 2.952 for the Group.

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

7. The General Meeting of Shareholders, which took place on May 16th 2018, has approved the distribution of a dividend €0,55per share, for a gross amount of € 39.279.405,00. The net amount after L. 4172 tax was € 35.860.088,20. Up to 30/06/2018 the distributed amount was € 35.474.206,81.

8. According to I.A.S. 24, related party transactions and balances as at 30.06.2018 are analyzed below:

Amounts in thousand €

	Company	**Group**
a) Revenue	41.214,99	730,82
b) Expenses	86.589,11	1.296,68
c) Receivables	12.673,65	185,27
d) Payables	400,04	399,74
e) Management and Board of Directors' remuneration	1.206,66	1.291,49
f) Payables to Management and Board of Directors	50,14	54,22

9. Total other comprehensive income is analyzed as follows :

Amounts in thousand €	Company		Group	
	30/6/2018	**30/6/2017**	**30/6/2018**	**30/6/2017**
(a) Items that may be reclassified subsequently to profit or loss:				
Cash flow hedging				
Reclassification of Profit/(Loss)	(7.736,88)	(1.442,82)	(7.736,88)	(1.442,82)
Net fair value gain/(loss) on cash flow hedges	37.405,39	(56.251,00)	37.405,39	(56.251,00)
Income tax	(8.603,87)	16.731,21	(8.603,87)	16.731,21
Financial assets				
Reclassification of Profit/(Loss)	0,00	0,00	0,00	(581,00)
Net fair value gain/(loss) on financial assets	0,00	(184,86)	0,00	133,64
Income tax	0,00	53,61	0,00	129,74
Total (a)	**21.064,64**	**(41.093,86)**	**21.064,64**	**(41.280,24)**
(b) Items that will not be reclassified subsequently to profit or loss:				
Remeasurement gains/(losses) on defined benefit plans	(260,19)	(378,00)	(260,19)	(378,00)
Deffered tax	75,45	109,62	75,45	109,62
Total (b)	**(184,73)**	**(268,38)**	**(184,73)**	**(268,38)**
Other comprehensive income for the period net of income tax	**20.879,91**	**(41.362,24)**	**20.879,91**	**(41.548,62)**