

# Aegean Airlines Company Presentation

**Eftichios Vassilakis, Executive Vice Chairman**  
**April 2008**

# Agenda

## Aegean Airlines at a glance

Financial, operating & competitive update

Our strategic focus

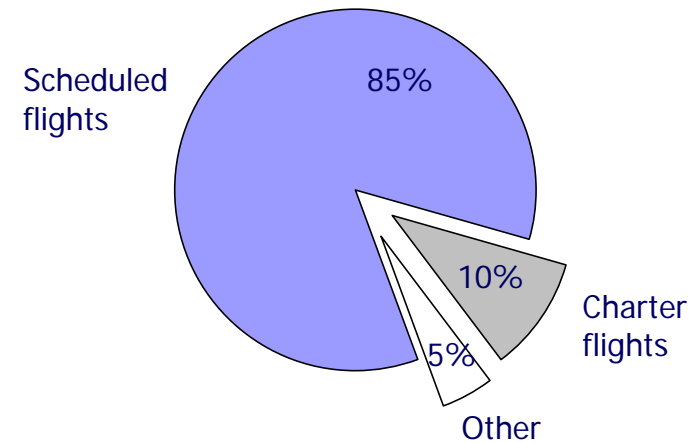
Appendix

## Fastest growing Greek carrier

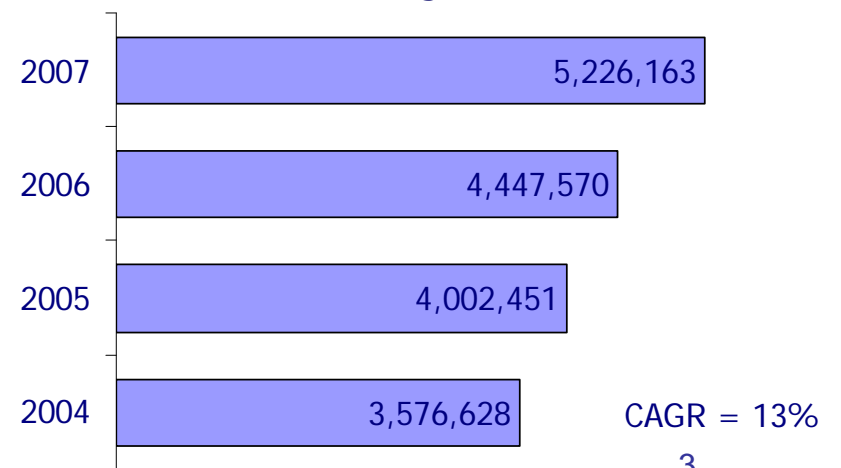
- ➔ Full service carrier since 1999
- ➔ Leading domestic position and growing international presence
- ➔ 5.2 million passengers in 2007
- ➔ 40 routes to 29 destinations in Greece and abroad (Summer 2008)
- ➔ 1,900 employees
- ➔ 27 aircraft (Summer 2008)
- ➔ Pre-tax earnings profitable since 2003
- ➔ Publicly listed on Athens Exchange

\* Excluding airport charges

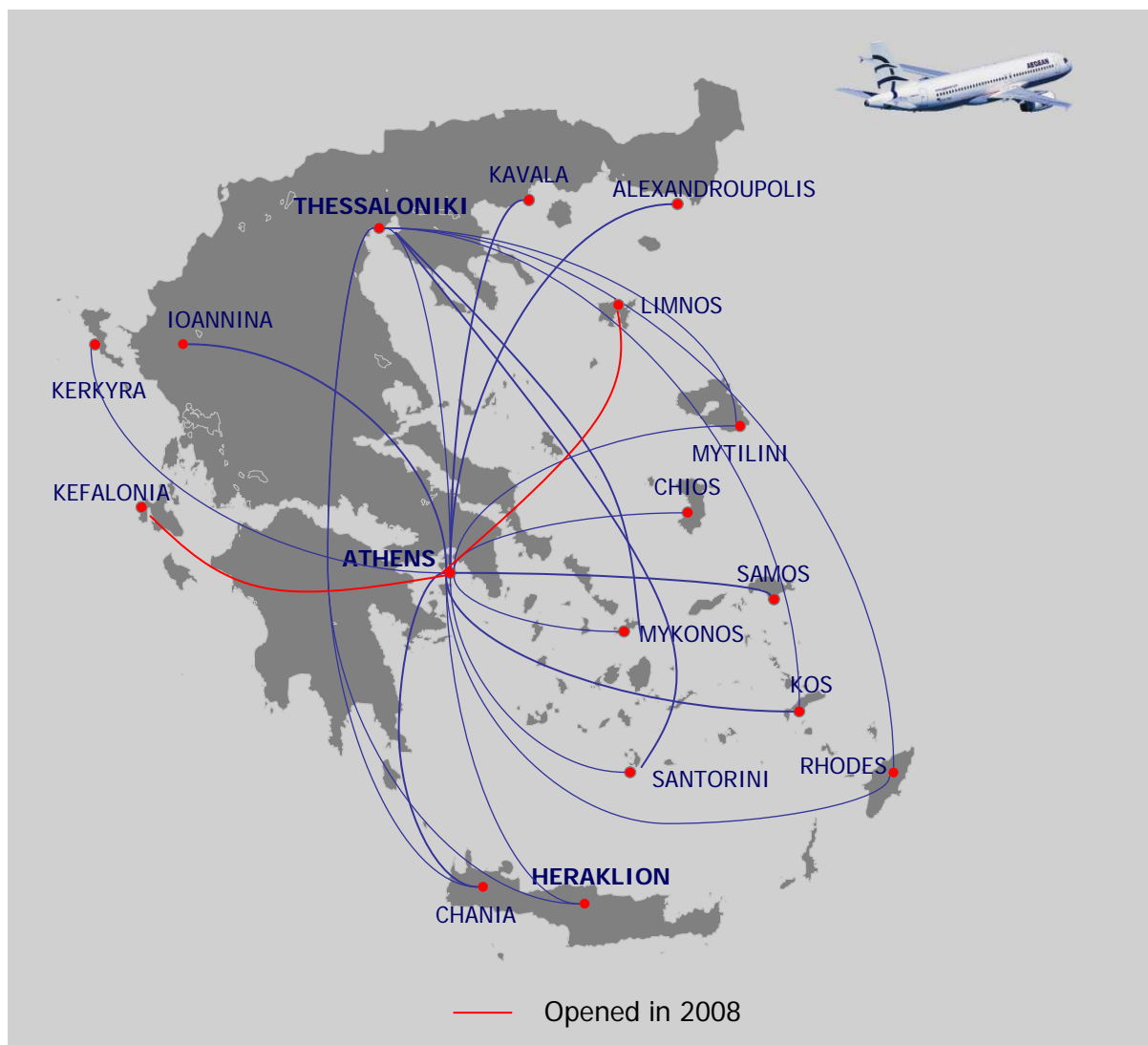
Revenue breakdown (2007)\*



Passengers



## Domestic network



- ✈ Covering 98% of potential demand
- ✈ Operating 23 routes, reaching 17 destinations (Summer 2008)
- ✈ Carrying 3.4m pax in 2007 (+10% y-o-y)
- ✈ Market share (passengers) in excess of 50%

## International network



- ✈ Operating 17 routes, reaching 12 destinations on 9 countries (Summer 2008)
- ✈ Covering 8 out of 15 most popular destinations out of Athens
- ✈ Carrying 1.9m pax in 2007 (+35% y-o-y)
- ✈ Leading position on international routes out of Thessaloniki & Balkan routes out of Athens
- ✈ Code share agreements with Lufthansa, Air One, Tap Portugal

## Our network (Summer 2008)

- ✈ Cover 6 out of 7 and 8 out of 15 most popular international destinations from Athens

### Domestic Routes

1	Athens-Alexandroupolis	13	Athens-Rhodes
2	Athens-Chania	14	Athens-Samos
3	Athens-Chios	15	Athens-Santorini
4	Athens-Corfu	16	Athens-Thessaloniki
5	Athens-Heraklion	17	Thessaloniki-Chania
6	Athens-Ioannina	18	Thessaloniki-Heraklion
7	Athens-Kavala	19	Thessaloniki-Kos
8	Athens-Kefalonia	20	Thessaloniki-Mykonos
9	Athens-Kos	21	Thessaloniki-Mytilini
10	Athens-Limnos	22	Thessaloniki-Rhodes
11	Athens-Myconos	23	Thessaloniki-Santorini
12	Athens-Mytilini		

### International Routes

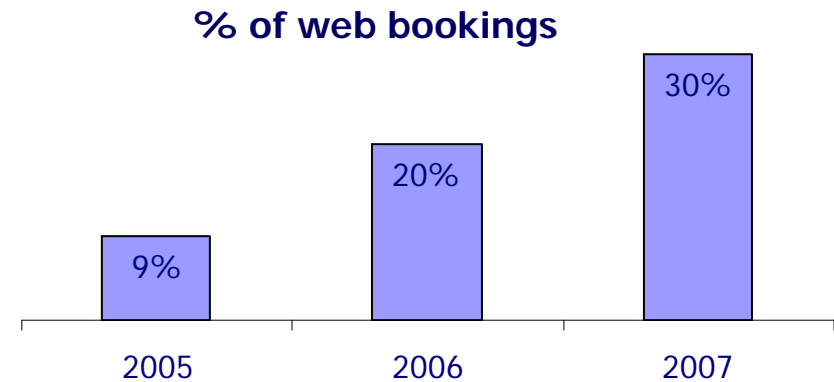
1	Athens-Bucharest
2	Athens-Cairo
3	Athens-Frankfurt
4	Athens-Larnaca
5	Athens-London
6	Athens-Milan
7	Athens-Munich
8	Athens-Rome
9	Athens-Sofia
10	Athens-Tirana
11	Heraklion-Larnaca
12	Rhodes-Larnaca
13	Thessaloniki-Dusseldorf
14	Thessaloniki-Frankfurt
15	Thessaloniki-Larnaca
16	Thessaloniki-Munich
17	Thessaloniki-Stuttgart

### Top 15 International Destinations from AIA

1	<b>London</b>
2	<b>Larnaca</b>
3	Paris
4	<b>Milan</b>
5	<b>Frankfurt</b>
6	<b>Rome</b>
7	<b>Munich</b>
8	Amsterdam
9	Zurich
10	New York
11	Madrid
12	Brussels
13	Istanbul
14	<b>Bucharest</b>
15	<b>Cairo</b>

## Focus on quality services

- First to introduce Business Class in domestic market
- Loyalty programme: Miles&Bonus almost 10% of A3 passengers in 2007
- E-services / web check in: Largest e-commerce player by revenue in Greece
- Self check in kiosks
- 5 times awarded by ERA



## AIA survey

### AIA survey: Most favorite airline among Greek residents for 2007

<b>Aegean Airlines</b>	<b>46%</b>
Olympic Airlines	21%
Lufthansa	11%
Emirates	4%
Singapore	3%



## Lufthansa's regional partner

- ✈ Lufthansa's regional partner since 2005
- ✈ Cooperation generates additional passenger traffic from Lufthansa's network, especially business traffic
- ✈ Increased brand awareness in Germany
- ✈ Linked loyalty programs
- ✈ Improved connectivity from coordinated schedules



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## 2007 results highlights

<b>Euro (million)</b>	<b>2006</b>	<b>2007</b>	<b>07 vs 06</b>
Revenue	401.1	482.7	20%
EBITDAR	69.9	83.1	19%
EBITDAR margin	17.4%	17.2%	-0.2pp
EBT	34.4	44.6	30%
Net income	25.7	35.8	39%
Net income margin	6.4%	7.4%	1pp
Cash and cash equivalents	24.4	158.3	
Debt	56.7	57.5	
Total equity	16.5	167.5	

## Competitive Update y-t-d to March 2008

Route		AEGEAN Start	y-t-d AEGEAN market rank	# Operators	Market share Trend
ATH	FRANKFURT	2007	3	3	↑
	MUNICH	2007	2	4	↑
	ROME	2001	2	4	—
	MILANO	2003	2	4	↑
	LARNACA	2004	2	3	↑
	CAIRO	2006	3	3	↑
	BUCHAREST	2006	1	3	↑
	SOFIA	2006	1	3	↑
SKG	FRANKFURT	2001	1	4	↑
	MUNICH	2001	1	3	↑
	DUSSELDORF/ COLOGNE/ DORTMUND	2001	1	6	↑
	STUTTGART	2001	1	4	—
	LARNACA	2004	2	2	—

- ✈ Alitalia de-hubs Malpensa
- ✈ Albanian Airlines drop Athens-Tirana
- ✈ Tarom reduces frequencies to Bucharest

## 1Q 2008 traffic

	1Q 2007	1Q 2008	08 vs 07
Domestic passengers	700,587	705,483	1%
International passengers	265,047	356,719	35%
Total passengers	965,634	1,062,202	10%
Total Flights	10,917	11,601	6%
Pax / Flight	88	92	4%

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## Our Re-fleeting Process

### A 320 / 321 Opportunity

- Delivery of 27 new aircraft over the 2007-2010 period – Largest private investment in transportation in Greece
- Majority of international routes served by new Airbus A 320/321 fleet in 2008
- Image benefits / Business Class potential
- Cost savings (maintenance, fuel)

### Boeings 737-300/400 retirement

- Accelerate re-fleeting: Decision to return Boeing fleet back to lessors over the 12/07 – 6/09 period
- Short term impact from Boeings early retirement

## Our Fleet



**A320/321 deliveries**

**Boeing re-deliveries**

**Avro re-delivery**

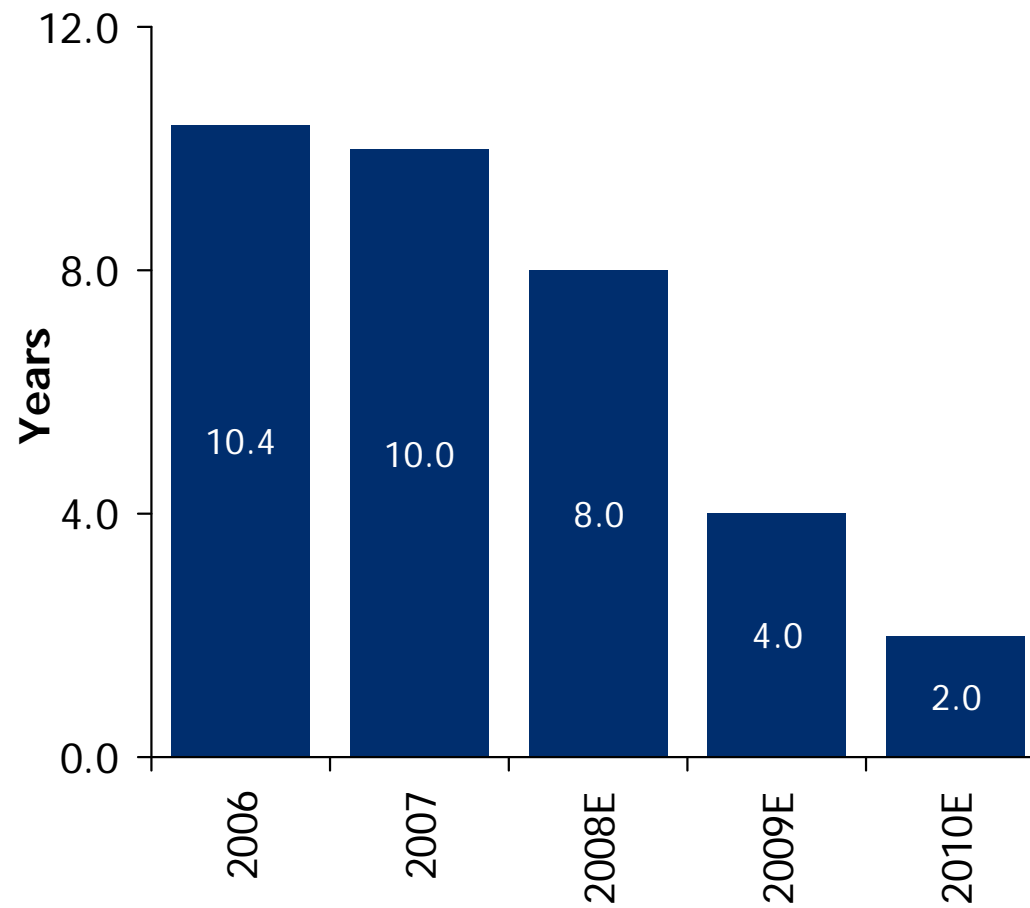
	2007	2008	2009	2010
A320/321 deliveries	3	10	8	6
Boeing re-deliveries	1	4 + 2	8	
Avro re-delivery				2

Average fleet size	2007	2008	2009	2010
A 320	2.5	7.9	16.2	21.5
A 321	0.0	1.4	3.5	4.0
Avros	6.0	6.0	6.0	5.0
Boeing 737/300-400	14.9	11.1	2.5	0.0
<b>Total</b>	<b>23.4</b>	<b>26.4</b>	<b>28.3</b>	<b>30.5</b>
<b>Fleet at peak period</b>	<b>24</b>	<b>27</b>	<b>27-28</b>	<b>30-31</b>

✈ 32 deliveries-redeliveries in 2008-2009 to impact effective capacity



## Average fleet age



# Our Network Expansion Strategy

- ➔ Target W.European & regional markets
- ➔ Leverage Lufthansa partnership
- ➔ Expansion criteria
  - ➔ Destinations within 4-hour flight radius
  - ➔ Balance of traffic originating in Greece
  - ➔ High share of point-to-point traffic
  - ➔ Slots availability



➔ 2008 Summer schedule consistent with stated strategy

	Routes	Destinations	
International Network	17	12	New W. European route: Athens-London
			New regional route: Athens-Tirana
Domestic Network	23	17	2 new destinations: Limnos, Kefalonia, now covering 98% of potential demand
<b>Total</b>	<b>40</b>	<b>29</b>	

## Strategic targets for 2008

- Yield recovery on existing destinations
- Attract business class passengers
- Increase internet penetration
- Rising use of self check-in kiosks
- New routes development – especially Athens-London

# Appendix

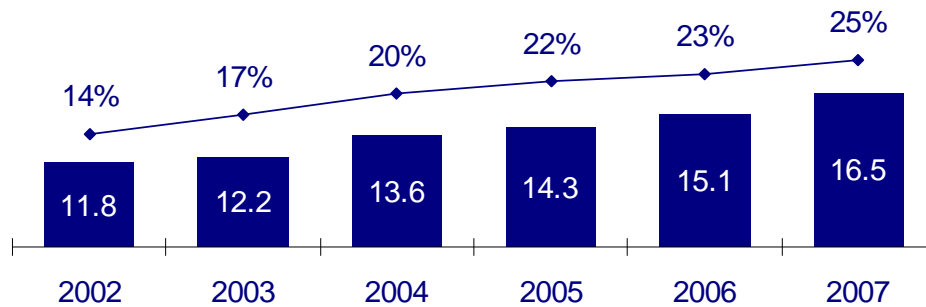
Recent results

Sector comparison

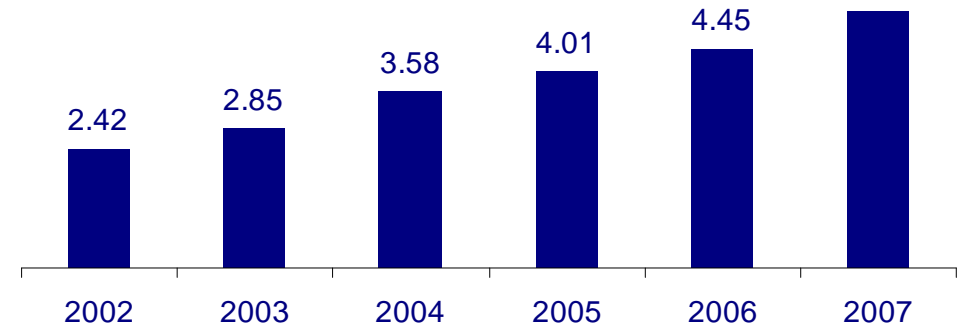
## 2007 operating review

✈ More flights, longer distances & market share gains in a growing market

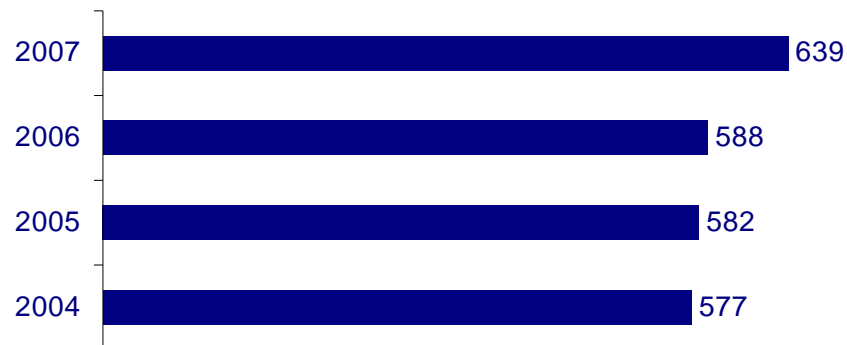
AIA Pax (m) & A3 market share (%)



A3 Total pax (m)



Average Segment Length (km)



Number of flights\*



\*Excl non revenue flights

## 2007 review: P&L Highlights

<b>Euro (million)</b>	<b>2006</b>	<b>2007</b>	<b>07 vs 06</b>
Revenue	401.1	482.7	20%
EBITDAR	69.9	83.1	19%
EBITDAR margin	17.4%	17.2%	-0.2pp
EBIT	40.0	42.9	7%
EBT	34.4	44.6	30%
Net income	25.7	35.8	39%
Net income margin	6.4%	7.4%	1pp

## 2007 review: Balance Sheet

<b>Euro (million)</b>	<b>Dec-06</b>	<b>Dec-07</b>
Advances for A/C acquisition	32.1	77.8
Other fixed assets	39.7	46.5
Total fixed assets	71.8	124.3
Cash and cash equivalents	24.4	158.3
Other current assets	70.6	70.5
<b>Total Assets</b>	<b>166.8</b>	<b>353.2</b>
Total equity	16.5	167.5
Debt	56.7	57.5
Other Liabilities*	93.6	128.2
<b>Total Liabilities &amp; Equity</b>	<b>166.8</b>	<b>353.2</b>

\* Includes derivative financial instruments liabilities of €31.2m in 2007 vs. €12.6m in 2006

## 2007 review: Key Performance Indicators

	2006	2007	07 vs 06
Load Factor (RPK/ASK) – Scheduled	71.8%	69.5%	-2.3pp
Load Factor (Pax/AVS) – Scheduled	70.4%	69.2%	-1.2pp
Avg Pax/flight	93	96	+3 pax
Yield (€ cents)	14.0	13.4	-4.1%
RASK (€ cents)	10.0	9.4	-5.2%
CASK - EBITDAR level (€ cents)	8.2	7.8	-5.0%
CASK - EBT level (€ cents)	9.1	8.6	-5.9%
Average Fare (€)	75.6	78.9	4.4%



## Sector comparison

Revenue growth		EBITDAR margin		Net margin	
Vueling	54%	Ryanair	29%	Ryanair	20%
NAS	44%	BA	19%	Aer Lingus	9%
Ryanair	23%	Aer Lingus	19%	Easyjet	8%
<b>Aegean</b>	<b>20%</b>	<b>Aegean</b>	<b>17%</b>	<b>Aegean</b>	<b>7%</b>
SkyEurope	18%	Iberia	17%	Iberia	6%
Aer Lingus	13%	Easyjet	17%	BA	6%
Easyjet	11%	Air France	16%	Air France	6%
Air France	4%	Austrian Airlines	15%	NAS	2%
Iberia	3%	NAS	12%	Austrian Airlines	0%
BA	-1%	SkyEurope	8%	SkyEurope	-5%
Austrian Airlines	-4%	Vueling	3%	Vueling	-12%

Source: Aegean Airlines, Company data,  
 Results for the 12-months to Dec 2007 with the exception of Vueling (9-month 2007) & easyJet (12-month to Sept 07)

## Thank you

For further information on AEGEAN please  
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## Forward Looking Statements

*Except for historical information, the statements made or information contained in this presentation are forward-looking in nature and, as such, are subject to certain risks and uncertainties, many of which are beyond the Company's control, which could cause the actual results to differ materially from those referenced, projected or contemplated herein by any forward-looking statement, including but not limited to the following: overall passenger traffic; the airline ticket pricing environment; the international expansion of our route network; seasonal fluctuations in passenger travel; aviation fuel prices; landing and navigation fee changes; changes in aircraft acquisition, leasing and other operating expenses; developments in government regulations and labour relations; the cost of our ground handling operations; the future development of AIA; foreign currency fluctuations, in particular between the euro and the U.S. dollar; the progress of our code-shared and interline arrangements; our ability to finance our planned acquisition of aircraft and to discharge any resulting debt service obligations; the availability of additional slots or landing rights at existing airports and the availability of new airports for expansion; interest rate fluctuations; extraordinary events, such as accidents, terrorist attacks or threats of terrorist attacks, natural disasters and outbreaks of contagious diseases; the rates of taxes payable; and general economic conditions in Greece and the European Union. Additional risks are discussed in the Offering Memorandum and the Company's filings with the Capital Markets Commission and the Athens Exchange.*

*Although the Company believes the expectations reflected in such forward-looking statements are based on reasonable assumptions, it can give no assurance that its expectations will be attained. The forward-looking statements are made as of the date of this presentation, and we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.*