

euro Atlantic airways , S.A.

BALANCE SHEET AT DECEMBER 31st OF 2006

(Amounts expressed in Euros)

(Translation of a document originally issued in Portuguese)

	2006			2005		2006	2005
	AB	AA	AL	AL			
ASSETS					EQUITY AND LIABILITIES		
Fixed Assets					Equity	4.990.000,00	4.990.000,00
Intangible assets	986.310,75	986.310,75	0,00	0,00	Capital		
Tangible fixed assets	58.374.293,29	18.068.985,07	40.305.308,22	4.788.165,24	Treasury stock - premium	-3.500.000,00	-2.383.500,00
Financial investments	2.216.441,89	0,00	2.216.441,89	1.790.996,09	Exchange adjust from financial investments	-227.651,42	-203.900,42
	61.577.045,93	19.055.295,82	42.521.750,11	6.579.161,33	not attributed dividends	0,00	0,00
Current Assets					Other reserves	3.554.009,17	3.195.812,03
Inventories					Legal reserves	388.584,56	89.243,31
Short term debt:					Retained earnings	2.000.181,99	-329.104,64
Accounts receivable from customers	23.521.605,02	6.309.818,91	17.211.786,11	19.767.633,19		7.205.124,30	5.358.550,28
Subsidiary companies							
Advances to suppliers	89.313,14		89.313,14	116.926,08	Net profit for the year	10.472.665,31	5.986.825,02
State and other public entities	68.400,23		68.400,23	171.096,18		10.472.665,31	5.986.825,02
Other debtors	5.861.234,34		5.861.234,34	2.575.276,85			
	29.540.552,73	6.309.818,91	23.230.733,82	22.630.932,30	TOTAL EQUITY	17.677.789,61	11.345.375,30
					LIABILITIES		
Trading securities	2.329.771,24		2.329.771,24	2.500.795,72	Provisions for other risks and costs	457.689,24	457.689,24
Bank deposits and cash	23.488.620,07		23.488.620,07	16.375.883,10	Short term liabilities:		
	25.818.391,31		25.818.391,31	18.876.678,82	Accounts payable to suppliers	26.266.861,81	15.543.241,99
					Other loans obtained	0,00	0,00
Unbilled revenues and deferred costs	4.127.006,52		4.127.006,52	6.294.315,48	Amounts owed by controlling company	383.451,45	4.457,45
					State and other public entities	2.770.442,97	2.326.560,69
					Other creditors	1.240.638,62	385.786,39
					Bank loans	21.518.245,42	1.995.183,67
						52.637.329,51	20.712.919,43
					Accrued costs and deferred income	25.382.762,64	22.322.793,20
TOTAL ASSETS	121.062.996,49	25.365.114,73	95.697.881,76	54.381.087,93	TOTAL LIABILITIES	78.020.092,15	43.035.712,63
					TOTAL EQUITY AND LIABILITIES	95.697.881,76	54.381.087,93

The Accountant:

The Board of Directors