

**euro Atlantic airways , S.A.**

(Amounts expressed in Euros)

**STATEMENTS OF PROFIT AND LOSS AT DECEMBER 31st OF 2006**

( Translation of a document originally issued in Portuguese)

<b>EXPENSES</b>	2006		2005
Cost of inventories sold or used in production			
External services and supplies		102.037.653,20	90.955.541,43
Payroll expenses:			
Salaries and wages	3.802.260,68		
Employee benefits	2.552.461,06	6.354.721,74	5.554.349,17
Depreciation of fixed assets	4.413.270,25		
Adjustments	420.065,65	4.833.335,90	5.314.034,78
Taxes	64.719,59		
Other operating costs	90.574,88	155.294,47	68.775,17
(A)		113.381.005,31	101.892.700,55
Losses in subsidiary and affiliated companies	0,00		
Interest and similar expenses	2.041.608,24	2.041.608,24	3.108.439,24
(C)		115.422.613,55	105.001.139,79
Extraordinary expenses	81.001,83	81.001,83	213.605,76
(E)		115.503.615,38	105.214.745,55
Income tax	2.990.734,04	2.990.734,04	1.576.758,76
(G)		118.494.349,42	106.791.504,31
Net profit for the year		10.472.665,31	5.986.825,02
		128.967.014,73	112.778.329,33
<b>INCOME</b>			
Sales and services rendered	125.742.752,10		108.075.736,37
Variation in production			
Own work capitalized			
Operating subsidies			
Other operating income			
(B)		125.742.752,10	108.075.736,37
Gains in subsidiary and affiliated companies	0,00		168.916,97
Income from trading securities and other financial investments			
Other interest and similar income	1.772.596,88	1.772.596,88	3.724.950,96
(D)		127.515.348,98	111.969.604,30
Extraordinary income	1.451.665,75	1.451.665,75	808.725,03
(F)		128.967.014,73	112.778.329,33
Operating results: (B)-(A)		12.361.746,79	6.183.035,82
Financial results: (D-B)-(C-A)		-269.011,36	785.428,69
Current results: (D)-(C)		12.092.735,43	6.968.464,51
Income before tax: (F)-(E)		13.463.399,35	7.563.583,78
Net profit for the year: (F)-(G)		10.472.665,31	5.986.825,02

The Accountant

The Board of Directors