

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

(Amounts expressed in Euros)

**STATEMENTS OF PROFIT AND LOSS AT DECEMBER 31st OF 2005**

(Translation of a document originally issued in Portuguese)

<b>EXPENSES</b>	2005		2004
Cost of inventories sold or used in production		90.955.541,43	79.659.804,65
External services and supplies			
Payroll expenses:			
Salaries and wages	3.100.020,32		
Employee benefits	2.454.328,85	5.554.349,17	4.603.313,93
Depreciation of fixed assets	1.756.872,54		
Adjustments	3.557.162,24	5.314.034,78	2.257.113,21
Taxes	32.912,41		
Other operating costs	35.862,76	68.775,17	298.634,11
(A)		101.892.700,55	86.818.865,90
Losses in subsidiary and affiliated companies			
Interest and similar expenses	3.108.439,24	3.108.439,24	4.310.491,39
(C)		105.001.139,79	91.129.357,29
Extraordinary expenses	213.605,76	213.605,76	365.102,32
(E)		105.214.745,55	91.494.459,61
Income tax	1.576.758,76	1.576.758,76	403.205,59
(G)		106.791.504,31	91.897.665,20
Net profit for the year		5.986.825,02	1.293.781,57
		112.778.329,33	93.191.446,77
<b>INCOME</b>			
Sales and services rendered	108.075.736,37		91.120.713,96
Variation in production			
Own work capitalized			
Operating subsidies			
Other operating income			
(B)		108.075.736,37	91.120.713,96
Gains in subsidiary and affiliated companies	168.916,97		
Income from trading securities and other financial investments			
Other interest and similar income	3.724.950,96	3.893.867,93	1.622.994,17
(D)		111.969.604,30	92.743.708,13
Extraordinary income	808.725,03	808.725,03	447.738,64
(F)		112.778.329,33	93.191.446,77
Operating results: (B)-(A)		6.183.035,82	4.301.848,06
Financial results: (D-B)-(C-A)		785.428,69	-2.687.497,22
Current results: (D)-(C)		6.968.464,51	1.614.350,84
Income before tax: (F)-(E)		7.563.583,78	1.696.987,16
Net profit for the year: (F)-(G)		5.986.825,02	1.293.781,57

The Accountant

The Board of Directors