



# **MINOAN LINES SHIPPING S.A.**

## **Interim Financial Report** **for the period ended June 30<sup>th</sup> 2011 (1/1 – 30/6/2011)**

Minoan Lines Shipping Societe Anonyme  
Company's Nr 11314/06/B/86/13  
in the register of the Societes Anonymes  
17, 25<sup>th</sup> August Str. – 71 202  
Heraklion-Crete-Greece

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## STATEMENTS OF THE MEMBERS OF THE BOARD OF DIRECTORS

(In accordance with article 5 par. 2 of law 3556/2007)

We, the undersigned, hereby state that to the best of our knowledge:

1. The interim company stand-alone and consolidated financial statements of the company «MINOAN LINES SHIPPING S.A.» for the period from January 1<sup>st</sup> 2011 to June 30<sup>th</sup> 2011, as prepared in accordance with the applicable International Financial Reporting Standards, give a true view of the assets, liabilities, equity, and the financial results for the 6-month period ended June 30, 2011, so of the company «MINOAN LINES SHIPPING S.A.», as of the Companies included in the consolidation, taken as a whole, in accordance with the provisions of paragraphs 3 and 5 of the article 5 of law 3556/2007 and,
2. The report of the board of Directors for the first 6-month period ended June 30, 2011 gives a true view of the information required in accordance with the paragraph 6 of the article 5 of law 3556/2007.

Heraklion August 26<sup>th</sup> 2011

**The Vice-Chairman of the Board**

**Konstantinos Mamalakis**  
ID C No AA 367050

**The Managing Director**

**Antonios Maniadakis**  
ID C No AI 944699

**The member of the Board**

**Georgios Papageorgiou**  
ID C No P 314734

## REPORT OF THE BOARD OF DIRECTORS OF «MINOAN LINES SHIPPING S.A.» ON THE FINANCIAL STATEMENTS FOR THE PERIOD 1/1 – 30/6/2011

This report is referred to the company as well as to the consolidated Financial Statements for the first half of 2011, and has been prepared in accordance with paragraph 6 of the article 5 of law 3556/2007.

### • Significant events for the first half of 2011 – Effect on Financial Statements

The debt crisis of peripheral countries in eurozone has been the main driver of global economic developments during the 1<sup>st</sup> half of 2011 affecting negatively its growth rates.

Moreover, the political and war conflicts in the Middle East & North Africa area have affected the fuel prices which have been increased further.

The adjustment of Greek economy to the aforementioned, the tight fiscal police and the deleverage of the banks, due to liquidity issues that they face, have resulted to the deepening of recession which has been shaped at -8.1% and -6.9% in the 1<sup>st</sup> and 2<sup>nd</sup> quarter of 2011 respectively, in comparison with the respective periods of 2010 (data from Greek Statistic Authorities).

The company during the first half of 2011, despite the adverse market conditions, implemented a successful commercial policy enhancing its position in both domestic and international markets in which operates. On June 8<sup>th</sup>, the company's main competitors made a joint venture on the routes of Heraklion and Ancona.

### Traffic Volumes

The company has increased its traffic volumes and utilization rates in the markets that the company operates during the 1<sup>st</sup> half of 2011 despite the decrease in the market that has been presented in all traffic categories.

#### **North Adriatic Routes**

The North Adriatic routes (International routes / Ancona & Venice) presented in the first half of 2011 increase of traffic volumes in comparison with the respective period of 2010. More specifically, the Company carried 212,506 passengers (+6.2%), 49,545 private cars (+21.5%) and 46,012 trucks (8.9%) while the company's vessels has performed 452 trips (-6.6%).

Moreover, the market shares have been increased and shaped at 43.1%, 41.9% and 43.5% for passengers, private cars and trucks respectively with the Company accomplishing the 36.2% of trips in the North Adriatic market.

#### **Domestic Market**

For the first half of 2011, the "Heraklion – Piraeus" route presented an increase of traffic volumes in passengers and private cars in comparison with the respective period of 2010. More specifically, the Company carried 377,223 passengers (+0.5%), 44,306 cars (+5.4%) and 25,805 trucks (-14.6%) while the company's vessels have performed 381 trips (-15.3%).

Moreover, the market shares have been increased and shaped at 59.6%, 56.0% and 38.7% for passengers, private cars and trucks respectively with the Company accomplishing the 37.9% of trips in the Heraklion route.

### Financial Results – Balance Sheet

- ✓ 'Non-Current Assets' amounts to € 506.89 million against € 513.94 million on 31/12/2010 were reduced by € 7.05 million (-1.4%). This reduction is due to the depreciation charge of the respective period.



- ✓ 'Current Assets' decreased by € 3.58 million (-3.6%) and amounts to € 95.30 million versus € 98.88 million on 31/12/2010.
- ✓ 'Equity' was reduced by € 24.81 million (-9.3%) and reached €241.15 million against € 265.96 million on 31/12/2010, due to the net results of the period.
- ✓ 'Total Liabilities' increased by € 14.16 million (+4.1%) and amounts to € 361.03 million against € 346.87 million on 31/12/2010. The said increase is due to revenue deferred to the following fiscal period because of the tickets' issuance at the beginning of the summer period, the increase of suppliers and short – term bank debt along with the decrease of long – term bank debt in accordance with the relevant terms of bond loan agreement.

The key-factors that affected the company results in the first six-month period of 2011 in comparison with the respective period of 2011 were:

-The revenue increase following the successful implementation of company's commercial policy in combination with the reduction of offered capacity in the market. Additionally, the revenue has been affected positively from the vessels chartering in the North Africa area during the period February-March 2011.

-The increase of fuel price has affected negatively the operating profitability given the fact that there is limited ability such cost increase to be transferred in fares mainly due to economic crisis.

-The increase of financial expenses mainly due to the increase of reference interest (Euribor) and the increase of short-term bank debt.

***More specifically:***

- 'Revenues' increased by € 8.53 million (+12.1%) and amounts to € 79.28 million versus € 70.75 million the respective period of 2010.
- 'Cost of Sales' before depreciation, which increased by € 9.05 million (+12.7%), amounts to € 80.31 million against € 71.26 compared to the previous year six-month period. The said raise is mainly attributed to the increase of fuel cost by +17.0% million in comparison with the respective period of 2010.
- 'Distribution costs and Administration expenses' decreased by € 0.55 million (-4.7%) compared to the respective period of 2010, and shaped € 11.16 million.
- 'Operating Profit before interest, tax, depreciation and amortization', was reduced by € 0.56 million (-5.0%) amounting to € -11.86 million against € -11.30 million.
- 'Net Financial Expenses', were significantly increased by 164.0% and amounts to € 5.71 million versus € 2.16 million in comparison with the first six-month period of 2010. The aforementioned increase is attributed to the increase of reference interest (Euribor), the increase of short-term bank debt and the decline of financial revenue due to the liquidity reduction.
- 'Net loss after taxation amounts to € -24.80 million against € -21.83 million of the six-month period of 2010, decreased by € -2.97 million (-13.6%).

**Consolidated Balance Sheet – Financial Results**

For the first half of 2011, the net consolidated loss amounts to € -24.72 million versus € -21.88 million of the respective period of 2010.

The basic items of the consolidated Financial Statements and the income statement of the Group are shown below:

Balance Sheet	30/6/2011	31/12/2010	Change	
			€	%
<b>In million €</b>				
Non-Current Assets	503.48	510.53	-7.05	-1.4%
Current Assets	100.75	104.37	-3.62	-3.5%
Equity	242.68	267.40	-24.72	-9.2%
Total Liabilities	361.55	347.50	14.05	4.0%

Income Statement	1/1 -30/6/2011	1/1 - 30/6/2010	Change	
			€	%
<b>In million €</b>				
<b>Revenue</b>	<b>79.33</b>	<b>70.83</b>	<b>8.50</b>	<b>12.0%</b>
Cost of Sales	87.35	78.30	9.05	11.6%
Distribution Costs and Administration Expenses	11.21	11.73	-0.52	-4.5%
<b>Profit before Interest and tax</b>	<b>-19.10</b>	<b>-18.56</b>	<b>0.54</b>	<b>2.9%</b>
Financial and Investing results (expenses)	5.71	2.17	3.54	163.5%
<b>Tax</b>	<b>-0.1</b>	<b>1.15</b>	<b>-1.25</b>	<b>-108.4%</b>
<b>Net Profit after Tax and Minority interest</b>	<b>-24.72</b>	<b>-21.88</b>	<b>-2.84</b>	<b>-13.0%</b>

### Significant post balance sheet date events

There are no subsequent events relating to the Company or the Group that have occurred and need to be disclosed according to the International Accounting Standard 34.

- **Risks – Uncertainties for the second half of 2011**

The fuel prices, the recession of Greek economy and the low level of growth rates in eurozone are the main factors that will determine the company's operating performance in the second half of the year.

#### *Fuel Prices*

During the first half of 2011 an increase of 17.0% in fuel prices was noted in comparison with the respective period of 2010 while their current levels are still high. In the second half of 2011 their prices will be affected mainly from the global growth rates and the situation in the Middle East and North Africa area. Moreover, the Company considers several hedging instruments, which, under certain circumstances, will be used accordingly.

#### *Interest Rates*

The liquidity issues of the banking sector has led to the increase of spreads that banks charge to the companies while the reference interest (Euribor) presented during the first half of 2011 increase. The Company's exposure to the risk of the interest rates increase is closely monitored and under certain circumstances it will use derivative financial instruments in order to hedge against the aforementioned exposure and to improve its financial performance.

### **Liquidity**

The Company's cash & cash equivalent amounts to € 4.68 million on 30/6/2011 and are considered sufficient to meet its liabilities when are due. However, the company, in order to serve its obligations at all times, has obtained the approval of bank credit lines. In particular, the Company maintains lines of credit amounting to € 25.00 million from which, due to the seasonality of operation, the utilized balance at 30/6/2011 was € 16.98 million.

### **Currency Risk**

After the entrance of Greece in the Euro-Zone, the Company's foreign currency risk was almost eliminated given the fact that the transactions abroad are mainly realized in Euro. Furthermore, the Company is not subject to foreign currency risk regarding its loans, taking under consideration that these are denominated in Euro. Indirectly, the Company is exposed to foreign currency risk, since the fuel prices based on dollars.

### **Market Conditions**

The routes, which the Company operates, are completely deliberated, resulting in an intensive competition among all the ferry companies.

- **Significant transactions between the Parent Company and the related parties**

The tables below present the inter-company transactions between the Parent Company and the related parties in accordance with I.A.S. 24, during the first half of 2011, as well as the outstanding balances of the trade receivables/payables as of June 30th 2011.

Sale of services of Company to	Relation with the Company	Amount in €	Transaction type
Grimaldi Compagnia di Navigazione S.p.a.	Ultimate Holding Company	189,890.35	Revenue from crew supplies in the chartered vessels according to the charter agreements
Atlantica di Navigazione S.p.a.	Company of Groups Ultimate Holding Company	249,545.17	Revenue from crew payroll cost & supplies of the chartered vessels according to the charter agreements
Atlantica di Navigazione S.p.a.	Ultimate Holding Company	4,712,024.70	Revenue of chartered vessels in accordance with charter agreements

Purchase of services from	Relation with the Company	Amount in €	Transaction type
Grimaldi Compagnia di Navigazione S.p.a.	Ultimate Holding Company	6,991,859.79	Charter cost in accordance with the charter agreements
Grimaldi Compagnia di Navigazione S.p.a.	Ultimate Holding Company	267,549.79	Payroll crew cost of chartered vessels in accordance with charter agreements
Grimaldi Compagnia di Navigazione S.p.a.	Ultimate Holding Company	831,978.30	50% proportion on income from on-board sales of



			chartered vessel in accordance with the charter agreements
Atlantica di Navigazione S.p.a.	Company of Groups Ultimate Holding Company	417,267.05	Purchase of fuel reserves of chartered vessels in accordance with the charter agreements
Atlantica di Navigazione S.p.a.	Company of Groups Ultimate Holding Company	153,727.14	50% proportion on income from on-board sales of chartered vessel in accordance with the charter agreements

The aforementioned transactions were made at arm's length.

The table below outlines the most important outstanding balances of the company on 30/6/2011, resulting from related-parties transactions.

Obligations of the Company to	Amount in €
Grimaldi Compagnia di Navigazione S.p.a	5,964,557.90
Atlantica di Navigazione S.p.a.	450,077.53

#### Compensations to Directors and members of the Board of Directors

The compensations to Directors and members of the Board of Directors are presented on the table below:

	Amount in €
Executive members	251,562.70
Non-executive members	95,341.00
Directors	456,918.23
<b>Total</b>	<b>803,821.93</b>

On June 30<sup>th</sup> 2011, the company had a receivable amount of 123,611.32 from a BoD member which derived from commercial activities.

Heraklion, August 26<sup>th</sup> 2011  
For and on Behalf of the Board of Directors

The Vice Chairman

The Managing Director

Konstantinos Mamalakis

Antonios Maniadakis

## TRANSLATION

### REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders of “MINOAN LINES SHIPPING S.A.”

#### **Introduction**

We have reviewed the accompanying condensed company and consolidated statement of financial position of “MINOAN LINES SHIPPING S.A.” (the “Company”) and its subsidiaries as of June 30, 2011, and the related condensed company and consolidated income statement and statement of comprehensive income, changes in equity and cash flows for the six-month period then ended, and selective explanatory notes which comprise the interim condensed financial information, which represents an integral part of the half year financial report as provided by article 5 of Law 3556/2007. Management is responsible for the preparation and fair presentation of this interim condensed financial information in accordance with International Financial Reporting Standards as adopted by the European Union and applicable to interim financial reporting (“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 it 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 financial information is not prepared, in all material respects, in accordance with IAS 34.

#### ***Report on Other Legal Requirements***

Our review has not revealed any inconsistency or discrepancy in the content of the half year financial report as provided by article 5 of Law 3556/2007 with the accompanying financial information.

Athens, August 29, 2011

The Certified Public Accountant

Nicos K. Sofianos  
Reg. No SOEL: 12231

**Deloitte.**

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**Interim Condensed Company and Consolidated**  
**Financial Statements**  
**for the period ended 1/1 – 30/6/2011**  
**In accordance with I.A.S. 34 (interim financial reporting)**

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The accompanying Interim Condensed Company and Consolidated Financial Statements on pages 11-29 have been approved by the Board of Directors on August 26<sup>th</sup> 2011 and have been uploaded to the Company's web site [www.minoan.gr](http://www.minoan.gr)

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## INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME

		The Group				The Company			
Note	1/1-30/6/2011	1/4-30/6/2011	1/1-30/6/2010	1/4-30/6/2010	1/1-30/6/2011	1/4-30/6/2011	1/1-30/6/2010	1/4-30/6/2010	
Revenue	5	79,326,655.17	44,792,873.59	70,828,500.48	41,889,142.22	79,277,514.36	44,768,265.76	70,753,781.98	41,842,407.02
Cost of Sales	6	-87,352,625.48	-49,612,600.47	-78,304,793.97	-42,994,272.17	-87,352,625.48	-49,612,600.47	-78,290,589.77	-42,980,661.93
<b>Gross Loss</b>		<b>-8,025,970.31</b>	<b>-4,819,726.88</b>	<b>-7,476,293.49</b>	<b>-1,105,129.95</b>	<b>-8,075,111.12</b>	<b>-4,844,334.71</b>	<b>-7,536,807.79</b>	<b>-1,138,254.91</b>
Other Operating Income	8	162,595.22	60,976.12	712,026.97	660,960.05	164,375.64	61,716.33	733,673.10	671,084.70
Selling expenses	7	-7,390,844.79	-4,434,009.91	-7,777,899.90	-4,446,901.44	-7,390,844.79	-4,434,009.91	-7,776,719.83	-4,446,889.90
Administrative expenses		-3,818,385.63	-2,077,746.51	-3,954,637.83	-2,093,266.42	-3,767,399.55	-2,028,658.55	-3,933,961.33	-2,077,960.24
Other Operating expenses		-28,549.20	-9,018.62	-67,349.87	-53,463.83	-27,959.33	-8,428.75	-19,652.49	-6,076.32
<b>Losses before taxes, financing and investing costs</b>		<b>-19,101,154.71</b>	<b>-11,279,525.80</b>	<b>-18,564,154.12</b>	<b>-7,037,801.59</b>	<b>-19,096,939.15</b>	<b>-11,253,715.59</b>	<b>-18,533,468.34</b>	<b>-6,998,096.67</b>
Financial income		106,049.64	49,361.85	1,380,238.05	765,833.76	105,414.97	48,812.65	1,378,048.41	764,046.05
Financial expenses		-5,817,099.68	-3,110,739.52	-3,547,892.58	-2,149,355.12	-5,816,913.68	-3,110,686.52	-3,541,624.98	-2,146,502.15
<b>Net financial results</b>		<b>-5,711,050.04</b>	<b>-3,061,377.67</b>	<b>-2,167,654.53</b>	<b>-1,383,521.36</b>	<b>-5,711,498.71</b>	<b>-3,061,873.87</b>	<b>-2,163,576.57</b>	<b>-1,382,456.10</b>
<b>Losses before tax</b>		<b>-24,812,204.75</b>	<b>-14,340,903.47</b>	<b>-20,731,808.65</b>	<b>-8,421,322.95</b>	<b>-24,808,437.86</b>	<b>-14,315,589.46</b>	<b>-20,697,044.91</b>	<b>-8,380,552.77</b>
Income tax	9	96,818.61	102,462.92	-1,148,586.23	-1,142,728.83	-	-	-1,134,944.00	-1,134,944.00
<b>Losses for the period</b>		<b>-24,715,386.14</b>	<b>-14,238,440.55</b>	<b>-21,880,394.88</b>	<b>-9,564,051.78</b>	<b>-24,808,437.86</b>	<b>-14,315,589.46</b>	<b>-21,831,988.91</b>	<b>-9,515,496.77</b>
<b>Other comprehensive income</b>		-	-	-	-	-	-	-	-
Other income		-	-	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>		<b>-24,715,386.14</b>	<b>-14,238,440.55</b>	<b>-21,880,394.88</b>	<b>-9,564,051.78</b>	<b>-24,808,437.86</b>	<b>-14,315,589.46</b>	<b>-21,831,988.91</b>	<b>-9,515,496.77</b>
<b>Losses attributable to:</b>									
Owners of the Company		-24,714,501.58	-14,237,586.24	-21,869,290.96	-9,553,898.21	-24,808,437.86	-14,315,589.46	-21,831,988.91	-9,515,496.77
Non Controlling Interest		-884.56	-854.31	-11,103.92	-10,153.57	-	-	-	-
<b>Losses of the period</b>		<b>-24,715,386.14</b>	<b>-14,238,440.55</b>	<b>-21,880,394.88</b>	<b>-9,564,051.78</b>	<b>-24,808,437.86</b>	<b>-14,315,589.46</b>	<b>-21,831,988.91</b>	<b>-9,515,496.77</b>
<b>The total comprehensive income is attributable to:</b>									
Owners of the Company		-24,714,501.58	-14,237,586.24	-21,869,290.96	-9,553,898.21	-24,808,437.86	-14,315,589.46	-21,831,988.91	-9,515,496.77
Non Controlling Interest		-884.56	-854.31	-11,103.92	-10,153.57	-	-	-	-
<b>Total comprehensive income of the period</b>		<b>-24,715,386.14</b>	<b>-14,238,440.55</b>	<b>-21,880,394.88</b>	<b>-9,564,051.78</b>	<b>-24,808,437.86</b>	<b>-14,315,589.46</b>	<b>-21,831,988.91</b>	<b>-9,515,496.77</b>
<b>Basic and Diluted losses per Share</b>		<b>-0.3485</b>	<b>-0.2007</b>	<b>-0.3083</b>	<b>-0.1347</b>	<b>-0.3498</b>	<b>-0.2018</b>	<b>-0.3078</b>	<b>-0.1342</b>

The accompanying notes on pages 16- 29 are an integral part of the Interim Condensed Financial Statements.

## INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

	Note	The Group		The Company	
		30/6/2011	31/12/2010	30/6/2011	31/12/2010
<b><u>Assets</u></b>					
<b>Non – current assets</b>					
Property, plant and equipment	10	424,496,843.18	431,534,822.73	424,496,843.18	431,534,822.70
Investment property	11	1,442,642.99	1,463,243.02	1,442,642.99	1,463,243.02
Investments in subsidiaries	12	-	-	3,408,405.99	3,408,405.99
Other investments	13	77,500,000.00	77,500,000.00	77,500,000.00	77,500,000.00
Other long term assets		38,170.23	35,481.48	38,170.23	35,481.48
<b>Total non – current assets</b>		<b>503,477,656.40</b>	<b>510,533,547.23</b>	<b>506,886,062.39</b>	<b>513,941,953.19</b>
<b>Current assets</b>					
Inventories		10,658,031.62	9,249,047.02	10,658,031.62	9,249,047.02
Trade and other receivables	14	65,238,481.61	56,806,475.43	65,279,974.81	56,799,165.73
Available for sale securities		72,545.30	72,545.30	72,545.30	72,545.30
Other current assets	14	14,645,096.60	10,390,403.52	14,605,053.93	10,390,403.52
Cash and cash equivalents		4,934,534.46	22,648,789.60	4,682,417.15	22,372,498.20
Non – current assets held for sale	15	5,200,000.05	5,200,000.05	-	-
<b>Total current assets</b>		<b>100,748,689.64</b>	<b>104,367,260.92</b>	<b>95,298,022.81</b>	<b>98,883,659.77</b>
<b>Total Assets</b>		<b>604,226,346.04</b>	<b>614,900,808.15</b>	<b>602,184,085.20</b>	<b>612,825,612.96</b>
<b><u>Equity and liabilities</u></b>					
<b>Capital and reserves</b>					
Share capital		159,583,500.00	159,583,500.00	159,583,500.00	159,583,500.00
Share premium		26,942,576.38	26,942,576.38	26,942,576.38	26,942,576.38
Other reserves		59,918,445.73	59,918,445.73	59,916,795.73	59,916,795.73
Retained earnings		-3,764,158.67	20,950,342.91	-5,292,231.76	19,516,206.10
<b>Total Equity attributable to equity holders of the parent</b>		<b>242,680,363.44</b>	<b>267,394,865.02</b>	<b>241,150,640.35</b>	<b>265,959,078.21</b>
<b>Non Controlling Interest</b>		503.07	1,387.63	-	-
<b>Total Equity</b>		<b>242,680,866.51</b>	<b>267,396,252.65</b>	<b>241,150,640.35</b>	<b>265,959,078.21</b>
<b>Non - current liabilities</b>					
Loans	16	253,461,233.79	258,924,107.96	253,461,233.79	258,924,107.96
Differed Tax obligations		503,186.21	603,823.44	-	-
Employee defined benefit obligations		2,203,822.93	2,647,971.82	2,203,822.93	2,647,971.82
Deferred government grants		4,319,946.37	4,416,627.21	4,319,946.37	4,416,627.21
<b>Total non-current liabilities</b>		<b>260,488,189.30</b>	<b>266,592,530.43</b>	<b>259,985,003.09</b>	<b>265,988,706.99</b>
<b>Current liabilities</b>					
Short term borrowings	16	16,975,000.02	23,248,082.21	16,975,000.02	23,248,082.21
Current portion of long term loan	16	14,045,325.00	8,517,370.00	14,045,325.00	8,517,370.00
Trade and other payables	17	70,036,965.21	49,146,572.86	70,028,116.74	49,112,375.55
<b>Total current liabilities</b>		<b>101,057,290.23</b>	<b>80,912,025.07</b>	<b>101,048,441.76</b>	<b>80,877,827.76</b>
<b>Total Liabilities</b>		<b>361,545,479.53</b>	<b>347,504,555.50</b>	<b>361,033,444.85</b>	<b>346,866,534.75</b>
<b>Total Equity and Liabilities</b>		<b>604,226,346.04</b>	<b>614,900,808.15</b>	<b>602,184,085.20</b>	<b>612,825,612.96</b>

The accompanying notes on pages 16- 29 are an integral part of the Interim Condensed Financial Statements.

## INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY

	Share Capital	Share Premium	Other Reserves	Retained Earnings	Total Equity
<b>Balance as at 1/1/2010</b>	159,583,500.00	26,942,576.38	58,361,495.73	64,151,181.05	309,038,753.16
Total comprehensive income after tax for the period 1/1-30/6/2010	-	-	-	-21,831,988.91	<b>-21,831,988.91</b>
Statutory Reserve	-	-	1,555,300.00	-1,555,300.00	-
<b>Balance as at 30/6/2010</b>	<b>159,583,500.00</b>	<b>26,942,576.38</b>	<b>59,916,795.73</b>	<b>40,763,892.14</b>	<b>287,206,764.25</b>
<b>Balance as at 1/1/2011</b>	<b>159,583,500.00</b>	<b>26,942,576.38</b>	<b>59,916,795.73</b>	<b>19,516,206.10</b>	<b>265,959,078.21</b>
Total comprehensive income after tax for the period 1/1-30/6/2011	-	-	-	-24,808,437.86	<b>-24,808,437.86</b>
<b>Balance as at 30/6/2011</b>	<b>159,583,500.00</b>	<b>26,942,576.38</b>	<b>59,916,795.73</b>	<b>-5,292,231.76</b>	<b>241,150,640.35</b>

The accompanying notes on pages 16- 29 are an integral part of the Interim Condensed Financial Statements.

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital	Share Premium	Other Reserves	Retained Earnings	Total Shareholders Equity	Minority Interest	Total Equity
<b>Balance as at 1/1/2010</b>	<b>159,583,500.00</b>	<b>26,942,576.38</b>	<b>58,401,903.70</b>	<b>65,861,918.85</b>	<b>310,789,898.93</b>	<b>-6,280.17</b>	<b>310,783,618.76</b>
Total comprehensive income after taxes for the period 1/1-30/6/2010	-	-	-	-21,869,290.96	-21,869,290.96	-11,103.92	-21,880,394.88
Statutory Reserve	-	-	1,555,300.00	-1,555,300.00	-	-	-
Reclassification of items	-	-	-40,387.97	40,387.97	-	-	-
<b>Balance as at 30/6/2010</b>	<b>159,583,500.00</b>	<b>26,942,576.38</b>	<b>59,916,815.73</b>	<b>42,477,715.86</b>	<b>288,920,607.97</b>	<b>-17,384.09</b>	<b>288,903,223.88</b>
<b>Balance as at 1/1/2011</b>	<b>159,583,500.00</b>	<b>26,942,576.38</b>	<b>59,918,445.73</b>	<b>20,950,342.91</b>	<b>267,394,865.02</b>	<b>1,387.63</b>	<b>267,396,252.65</b>
Total comprehensive income after taxes for the period 1/1-30/6/2011	-	-	-	-24,714,501.58	-24,714,501.58	-884.56	-24,715,386.14
<b>Balance as at 30/6/2011</b>	<b>159,583,500.00</b>	<b>26,942,576.38</b>	<b>59,918,445.73</b>	<b>-3,764,158.67</b>	<b>242,680,363.44</b>	<b>503.07</b>	<b>242,680,866.51</b>

The accompanying notes on pages 16- 29 are an integral part of the Interim Condensed Financial Statements.

## INTERIM CONDENSED STATEMENT OF CASH FLOWS

	The Group		The Company	
	1/1- 30/6/2011	1/1- 30/6/2010	1/1- 30/6/2011	1/1- 30/6/2010
<b><u>Cash flows from operating activities</u></b>				
Loss before taxes	-24,812,204.75	-20,731,808.65	-24,808,437.86	-20,697,044.91
<i>Adjustments for:</i>				
Net depreciation and amortization	7,232,388.34	7,237,142.97	7,232,388.34	7,237,095.87
Provisions	148,116.62	151,121.17	148,116.62	151,121.17
Net foreign exchange (gains)/losses	-40,832.69	20,257.14	-40,832.69	20,257.14
Income/(expenses), gains/(losses) from investing activities	-6,464.37	-566,240.72	-6,464.40	-566,240.72
Interest and other financial expenses	5,817,099.68	3,547,892.58	5,816,913.68	3,541,624.98
<b>Movements in working capital :</b>				
Increase in inventories	-1,408,984.60	-1,825,133.62	-1,408,984.60	-1,825,133.62
Increase in trade and other receivables	-12,689,903.67	-24,576,435.73	-12,698,663.90	-24,703,920.88
Increase in liabilities other than borrowings	19,576,429.69	16,151,088.93	19,574,193.11	16,441,203.95
Less :				
Interest and related expenses paid	-4,027,364.71	-2,690,931.84	-4,027,178.71	-2,684,664.24
Income taxes paid	-538,249.68	-23,731.46	-506,845.64	-
<b>Net Cash used in operating activities (a)</b>	<b>-10,749,970.14</b>	<b>-23,306,779.23</b>	<b>-10,725,796.05</b>	<b>-23,085,701.26</b>
<b><u>Cash flows from investing activities</u></b>				
Purchase of property, plant and equipment	-270,489.77	-152,403.34	-270,489.77	-152,403.34
Proceeds from property, plant and equipment disposal	-	800,000.00	-	800,000.00
Advances from disposal of other investments	-	13,000,000.00	-	13,000,000.00
Dividends received	6,464.54	6,483.00	6,464.54	6,483.00
<b>Net Cash (used in)/generated by investing activities (b)</b>	<b>-264,025.23</b>	<b>13,654,079.66</b>	<b>-264,025.23</b>	<b>13,654,079.66</b>
<b><u>Cash flows from financing activities</u></b>				
Proceeds from long / short term borrowings	-	858,545.58	-	858,545.58
Repayment of long / short term borrowings	-6,273,082.19	-5,527,955.00	-6,273,082.19	-5,527,955.00
Repayment of finance lease liabilities	-	-38,597.78	-	-38,597.78
Dividends paid	-427,177.58	-346.69	-427,177.58	-346.69
<b>Net Cash used in financing activities (c)</b>	<b>-6,700,259.77</b>	<b>-4,708,353.89</b>	<b>-6,700,259.77</b>	<b>-4,708,353.89</b>
<b>Net decrease in cash and cash equivalents (a) + (b) + (c)</b>	<b>-17,714,255.14</b>	<b>-14,361,053.46</b>	<b>-17,690,081.05</b>	<b>-14,139,975.49</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>22,648,789.60</b>	<b>47,475,852.31</b>	<b>22,372,498.20</b>	<b>46,943,386.98</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>4,934,534.46</b>	<b>33,114,798.85</b>	<b>4,682,417.15</b>	<b>32,803,411.49</b>

The accompanying notes on pages 16- 29 are an integral part of the Interim Condensed Financial Statements.

## NOTES TO THE INTERIM CONDENSED COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1/1- 30/6/2011

### 1. General Company's Information

The Company was established on 25<sup>th</sup> May 1972 (FEK 939–25/5/1972), with its registered address in the Heraklion-Crete Municipality and its discrete name is “MINOAN LINES S.A.”. It operates in the Ferry shipping sector both in Domestic and International sea routes.

The number of the personnel employed for the period ended 30/6/2011 and 30/6/2010 was 643 and 707, respectively.

Minoan Lines' shares are listed on the Athens Stock Exchange (code: MINOA). The corresponding code under Reuters is MILr.AT and under Bloomberg is MINOA GA.

The total number and the weighted average of ordinary shares outstanding on 30/6/2011 was 70,926,000, while the total market capitalization reached € 189,372,420.00. Every share carries one voting right.

The General Shareholders' Meeting elects the Board of Directors which consists of 7-9 members. The current structure of the Board of Directors is comprised by eight (8) members, who were elected by the General Shareholders' Meeting held on June 19<sup>th</sup> 2009. On June 30<sup>th</sup> 2011, three (3) members of the board were executive, three (3) were non-executive and two (2) were non-executive-independent members.

The Interim Condensed Financial Statements for the period ended 30/6/2011, which were approved by the board of directors meeting on August 26<sup>th</sup> 2011, include the Interim Condensed Company and Consolidated Financial Statements (the “Financial Statements”).

The Financial Statements include the Company and its subsidiaries (the Group), as well as the interest of the Group in the associates.

The subsidiaries and associates that are included in the Financial Statements and the ownership interests that the parent Company holds directly or indirectly are outlined in the table below:

<u>Name</u>	<u>Consolidation Method</u>	<u>Headquarters</u>	<u>% Interest</u>	
			<u>2011</u>	<u>2010</u>
Kritiki Filoxenia S.A.	Full	Heraklion-Crete	100.00%	100.00%
Athina A.V.E.E.	Full	Heraklion-Crete	100.00%	100.00%
Minoan Italia S.p.a.	Full	Palermo-Italy	100.00%	100.00%
Minoan Escape S.A.**	Full	Heraklion-Crete	99.95%	99.95%
Minoan Cruises S.A.*	Full	Heraklion-Crete	80.80%	80.80%
European Thalassic Agencies shipping management & consultants S.A.*	Full	Panamas	100.00%	100.00%
Mediterranean Ferries S.r.l.*	Equity	Genova-Italy	50.00%	50.00%

\* The companies are in liquidation.

\*\* The company's operation following the decision of AGM on 30/6/11 has been terminated

## 2. Basis of preparation of the Financial Statements

### 2.1 Statement of Compliance

The Financial Statements have been prepared in accordance with International Accounting Standard 34 (I.A.S. 34 «Interim Financial Reporting»).

The Financial Statements do not include all notes and information required and it is recommended they be read in conjunction with the annual Financial Statements for the year ended 2010.

### 2.2 Use of estimates

The preparation of the Financial Statements in conformity with I.F.R.S. requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Significant estimates and critical judgements in applying accounting policies that have significant effect on the Financial Statements as well as those which involve potential risk for adjustment in the next fiscal year, do not differ than those applied in the Annual Financial Statements as of 31/12/2010.

## 3. Significant Accounting Policies

The significant accounting policies adopted for the preparation of the Financial Statements on 30/6/2011, are those applied for the preparation of the Annual Financial Statements on 31/12/2010 and have been published in the Company's web site [www.minoan.gr](http://www.minoan.gr).

### 3.1 New standards, interpretations and amendments of existing standards

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current reporting period and subsequent reporting periods. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

#### Standards and Interpretations effective for the current financial period

- **IAS 24 (Amendment) “Related Party Disclosures” (effective for annual periods beginning on or after 1 January 2011).** This amendment attempts to reduce disclosures of transactions between government-related entities and clarify related-party definition. More specifically, it removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities, clarifies and simplifies the definition of a related party and requires the disclosure not only of the relationships, transactions and outstanding balances between related parties, but of commitments as well in both the consolidated and the individual financial statements. This revision does not affect the Group's financial statements.
- **IAS 32 (Amendment) “Financial Instruments: Presentation” (effective for annual periods beginning on or after 1 February 2010).** This amendment clarifies how certain rights issues should be classified. In particular, based on this amendment, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. This amendment is not relevant to the Group.
- **IFRIC 19 “Extinguishing Financial Liabilities with Equity Instruments” (effective for annual period beginning on or after 1 July 2010).** This interpretation addresses the

accounting by the entity that issues equity instruments to a creditor in order to settle, in full or in part, a financial liability. This interpretation is not relevant to the Group.

- **IFRIC 14 (Amendment) “The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction” (effective for annual periods beginning on or after 1 January 2011).** The amendments apply in limited circumstances: when an entity is subject to minimum funding requirements and makes an early payment of contributions to cover those requirements. The amendments permit such an entity to treat the benefit of such an early payment as an asset. This interpretation is not relevant to the Group.
- **Standards and Interpretations effective from periods beginning on or after 1 January 2012**
- **IFRS 7 (Amendment) “Financial Instruments: Disclosures” – transfers of financial assets** (effective for annual periods beginning on or after 1 July 2011) This amendment sets out disclosure requirements for transferred financial assets not derecognised in their entirety as well as on transferred financial assets derecognised in their entirety but in which the reporting entity has continuing involvement. It also provides guidance on applying the disclosure requirements. This amendment has not yet been endorsed by the EU.
- **IAS 12 (Amendment) “Income Taxes”** (effective for annual periods beginning on or after 1 January 2012) the amendment to IAS 12 provides a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model in IAS 40 “Investment Property”. This amendment has not yet been endorsed by the EU.
- **IAS 1 (Amendment) “Presentation of Financial Statements” (effective for annual periods beginning on or after 1 July 2012).** The amendment requires entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future. This amendment has not yet been endorsed by the EU.
- **IAS 19 (Amendment) “Employee Benefits” (effective for annual periods beginning on or after 1 January 2013).** This amendment makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits (eliminates the corridor approach) and to the disclosures for all employee benefits. The key changes relate mainly to recognition of actuarial gains and losses, recognition of past service cost / curtailment, measurement of pension expense, disclosure requirements, treatment of expenses and taxes relating to employee benefit plans and distinction between “short-term” and “other long-term” benefits. This amendment has not yet been endorsed by the EU.
- **IFRS 9 “Financial Instruments” (effective for annual periods beginning on or after 1 January 2013)** IFRS 9 is the first Phase of the Board’s project to replace IAS 39 and deals with the classification and measurement of financial assets and financial liabilities. The IASB intends to expand IFRS 9 in subsequent phases in order to add new requirements for impairment and hedge accounting. The Group is currently investigating the impact of IFRS 9 on its financial statements. The Group cannot currently early adopt IFRS 9 as it has not been endorsed by the EU. Only once approved will the Group decide if IFRS 9 will be adopted prior to 1 January 2013.
- **IFRS 13 “Fair Value Measurement” (Effective for annual periods beginning on or after 1 January 2013).** IFRS 13 provides new guidance on fair value measurement and disclosure requirements. These requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other

standards within IFRSs. IFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRS. Disclosure requirements are enhanced and apply to all assets and liabilities measured at fair value, not just financial ones. This standard has not yet been endorsed by the EU.

**Group of standards on consolidation and joint arrangements** (effective for annual periods beginning on or after 1 January 2013) The IASB has published five new standards on consolidation and joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (amendment) and IAS 28 (amendment). These standards are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted only if the entire “package” of five standards is adopted at the same time. These standards have not yet been endorsed by the EU. The Group is in the process of assessing the impact of the new standards on its consolidated financial statements. The main provisions are as follows:

- **IFRS 10 “Consolidated Financial Statements”**

IFRS 10 replaces all of the guidance on control and consolidation in IAS 27 and SIC 12. The new standard changes the definition of control for the purpose of determining which entities should be consolidated. This definition is supported by extensive application guidance that addresses the different ways in which a reporting entity (investor) might control another entity (investee). The revised definition of control focuses on the need to have both power (the current ability to direct the activities that significantly influence returns) and variable returns (can be positive, negative or both) before control is present. The new standard also includes guidance on participating and protective rights, as well as on agency/ principal relationships.

- **IFRS 11 “Joint Arrangements”**

IFRS 11 provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The types of joint arrangements are reduced to two: joint operations and joint ventures. Proportional consolidation of joint ventures is no longer allowed. Equity accounting is mandatory for participants in joint ventures. Entities that participate in joint operations will follow accounting much like that for joint assets or joint operations today. The standard also provides guidance for parties that participate in joint arrangements but do not have joint control.

- **IFRS 12 “Disclosure of Interests in Other Entities”**

IFRS 12 requires entities to disclose information, including significant judgments and assumptions, which enable users of financial statements to evaluate the nature, risks and financial effects associated with the entity’s interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. An entity can provide any or all of the above disclosures without having to apply IFRS 12 in its entirety, or IFRS 10 or 11, or the amended IAS 27 or 28.

- **IAS 27 (Amendment) “Separate Financial Statements”**

This Standard is issued concurrently with IFRS 10 and together, the two IFRSs supersede IAS 27 “*Consolidated and Separate Financial Statements*”. The amended IAS 27 prescribes the accounting and disclosure requirements for investment in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. At the same time, the Board relocated to IAS 27 requirements from IAS 28 “*Investments in Associates*” and IAS 31 “*Interests in Joint Ventures*” regarding separate financial statements.

- **IAS 28 (Amendment) “Investments in Associates and Joint Ventures”**

IAS 28 “*Investments in Associates and Joint Ventures*” replaces IAS 28 “*Investments in Associates*”. The objective of this Standard is to prescribe the accounting for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures, following the issue of IFRS 11.

#### 4. Financial Risk Management

The Company's policies regarding the financial and capital risk management are those that have been expressively analyzed in the Annual Financial Statements on 31/12/2010.

#### 5. Revenue

	<u>The Group</u>		<u>The Company</u>	
	<u>30/6/2011</u>	<u>30/6/2010</u>	<u>30/6/2011</u>	<u>30/6/2010</u>
Revenue from Vessel Operations	68,354,511.07	60,645,455.49	68,354,511.07	60,651,842.49
Revenue from on board services and sales	10,217,686.37	9,480,990.52	10,217,686.37	9,480,990.52
Other Revenues	754,457.73	702,054.47	705,316.92	620,948.97
<b>Totals</b>	<b>79,326,655.17</b>	<b>70,828,500.48</b>	<b>79,277,514.36</b>	<b>70,753,781.98</b>

The revenue increase is mainly due to extraordinary vessels' chartering.

#### 6. Cost of sales

	<u>The Group</u>		<u>The Company</u>	
	<u>30/6/2011</u>	<u>30/6/2010</u>	<u>30/6/2011</u>	<u>30/6/2010</u>
Payroll cost, Bunkers and Lubricants	58,766,211.63	53,220,780.47	58,766,211.63	53,220,780.47
Port expenses, Repairs and Maintenances	6,645,627.63	7,025,460.51	6,645,627.63	7,025,460.51
Food – Beverages – Shops merchandise	4,328,219.00	4,257,132.88	4,328,219.00	4,257,132.88
Chartering cost	6,991,859.79	4,345,968.07	6,991,859.79	4,345,968.07
Other Expenses	3,664,957.83	2,512,061.05	3,664,957.83	2,497,856.85
Depreciation	7,052,430.44	7,039,964.56	7,052,430.44	7,039,964.56
Amortization of government grants	-96,680.84	-96,573.57	-96,680.84	-96,573.57
<b>Totals</b>	<b>87,352,625.48</b>	<b>78,304,793.97</b>	<b>87,352,625.48</b>	<b>78,290,589.77</b>

The cost of sales increase (+9 mln €uro) in the current period in relation to the respective period of the previous year is mainly due to the cost of bunkers.

#### 7. Selling expenses

	<u>The Group</u>		<u>The Company</u>	
	<u>30/6/2011</u>	<u>30/6/2010</u>	<u>30/6/2011</u>	<u>30/6/2010</u>
Payroll cost	2,556,974.53	2,488,030.81	2,556,974.53	2,488,030.81
Commissions	3,192,548.42	3,537,497.37	3,192,548.42	3,537,497.37
Advertising and promotion expenses	1,202,037.85	1,269,457.63	1,202,037.85	1,269,457.63
Other expenses	439,283.99	482,914.09	439,283.99	481,734.02
<b>Totals</b>	<b>7,390,844.79</b>	<b>7,777,899.90</b>	<b>7,390,844.79</b>	<b>7,776,719.83</b>

#### 8. Other operating income

	<u>The Group</u>		<u>The Company</u>	
	<u>30/6/2011</u>	<u>30/6/2010</u>	<u>30/6/2011</u>	<u>30/6/2010</u>
Gain from sale of property	-	541,698.92	-	541,698.92
Commissions	54,619.17	59,701.67	54,619.17	59,701.67
Income from Government Grants	55,456.94	58,482.08	55,456.94	58,482.08
Income from services to third parties	-	1,913.47	-	20,974.99
Rental income	48,780.00	48,840.00	50,560.42	51,424.61
Other Income	3,739.11	1,390.83	3,739.11	1,390.83
<b>Totals</b>	<b>162,595.22</b>	<b>712,026.97</b>	<b>164,375.64</b>	<b>733,673.10</b>

## 9. Income Tax

	<u>The Group</u>		<u>The Company</u>	
	<u>30/6/2011</u>	<u>30/6/2010</u>	<u>30/6/2011</u>	<u>30/6/2010</u>
Provision for special tax contribution according to law 3845/2010	-	1,134,944.00	-	1,134,944.00
Differed Taxes due to reduction of tax coefficient	-100,637.23	-	-	-
Income tax provision for the period ended	3,818.62	13,642.23	-	-
<b>Totals</b>	<b>-96,818.61</b>	<b>1,148,586.23</b>	<b>-</b>	<b>1,134,944.00</b>

## 10. Property, plant, equipment

	<u>The Group</u>						<u>Totals</u>
	<u>Land</u>	<u>Buildings Technical works</u>	<u>Transportation Equipment</u>	<u>Vessels</u>	<u>Furniture and Other Equipment</u>	<u>Computer Software</u>	
<b>Cost at 1/1/2010</b>	<b>1,797,913.00</b>	<b>5,778,138.76</b>	<b>151,020.43</b>	<b>522,946,980.75</b>	<b>3,704,985.57</b>	<b>2,496,471.92</b>	<b>536,875,510.43</b>
Acquisitions and additions 1/1-31/12/2010	-	-	-	507,397.64	212,422.15	141,158.27	<b>860,978.06</b>
Less: Disposals-Write offs 1/1-31/12/2010	-	-	6,412.25	39,406.92	72,961.83	9,978.67	<b>128,759.67</b>
<b>Carrying amounts at 31/12/2010</b>	<b>1,797,913.00</b>	<b>5,778,138.76</b>	<b>144,608.18</b>	<b>523,414,971.47</b>	<b>3,844,445.89</b>	<b>2,627,651.52</b>	<b>537,607,728.82</b>
<b>Cost at 1/1/2011</b>	<b>1,797,913.00</b>	<b>5,778,138.76</b>	<b>144,608.18</b>	<b>523,414,971.47</b>	<b>3,844,445.89</b>	<b>2,627,651.52</b>	<b>537,607,728.82</b>
Acquisitions and additions 1/1-30/6/2011	-	-	-	26,822.05	92,986.65	150,681.07	<b>270,489.77</b>
Less: Disposals-Write offs 1/1-30/6/2011	-	-	-	1,181.42	280,887.95	0.03	<b>282,069.40</b>
<b>Carrying amounts at 30/6/2011</b>	<b>1,797,913.00</b>	<b>5,778,138.76</b>	<b>144,608.18</b>	<b>523,440,612.10</b>	<b>3,656,544.59</b>	<b>2,778,332.56</b>	<b>537,596,149.19</b>
<b>Accumulated Depreciation at 1/1/2010</b>	-	<b>1,371,233.19</b>	<b>107,522.49</b>	<b>84,635,846.56</b>	<b>3,028,462.84</b>	<b>2,390,378.62</b>	<b>91,533,443.70</b>
Depreciation for the period 1/1-31/12/2010	-	238,105.03	11,549.21	14,077,176.21	231,162.85	50,994.09	<b>14,608,987.39</b>
Less: Disposed assets accumulated depreciation 1/1-31/12/2010	-	-	5,661.34	26,820.74	31,286.96	5,755.96	<b>69,525.00</b>
<b>Total Accumulated Depreciation at 31/12/2010</b>	-	<b>1,609,338.22</b>	<b>113,410.36</b>	<b>98,686,202.03</b>	<b>3,228,338.73</b>	<b>2,435,616.75</b>	<b>106,072,906.09</b>
<b>Accumulated Depreciation at 1/1/2011</b>	-	<b>1,609,338.22</b>	<b>113,410.36</b>	<b>98,686,202.03</b>	<b>3,228,338.73</b>	<b>2,435,616.75</b>	<b>106,072,906.09</b>
Depreciation for the period 1/1-30/6/2011	-	119,052.52	4,787.90	7,037,479.33	100,021.93	47,127.47	<b>7,308,469.15</b>
Less: Disposed assets accumulated depreciation 1/1-30/6/2011	-	-	-	1,181.40	280,887.83	-	<b>282,069.23</b>
<b>Total Accumulated Depreciation at 30/6/2011</b>	-	<b>1,728,390.74</b>	<b>118,198.26</b>	<b>105,722,499.96</b>	<b>3,047,472.83</b>	<b>2,482,744.22</b>	<b>113,099,306.01</b>
<b>Net book value at:</b>							
1/1/2010	1,797,913.00	4,406,905.57	43,497.94	438,311,134.19	676,522.73	106,093.30	445,342,066.73
31/12/2010	1,797,913.00	4,168,800.54	31,197.82	424,728,769.44	616,107.16	192,034.77	431,534,822.73
30/6/2011	1,797,913.00	4,049,748.02	26,409.92	417,718,112.14	609,071.76	295,588.34	424,496,843.18

	<u>The Company</u>						<u>Totals</u>
	<u>Land</u>	<u>Buildings Technical works</u>	<u>Transportation Equipment</u>	<u>Vessels</u>	<u>Furniture and Other Equipment</u>	<u>Computer Software</u>	
<b>Cost at 1/1/2010</b>	<b>1,797,913.00</b>	<b>5,778,138.76</b>	<b>151,020.43</b>	<b>522,946,980.75</b>	<b>3,704,487.89</b>	<b>2,496,471.89</b>	<b>536,875,012.72</b>
Acquisitions and additions 1/1-31/12/2010	-	-	-	507,397.64	212,422.15	141,158.27	<b>860,978.06</b>
Less : Disposals-Write offs 1/1-31/12/2010	-	-	6,412.25	39,406.92	72,464.15	9,978.67	<b>128,261.99</b>
<b>Carrying amounts at 31/12/2010</b>	<b>1,797,913.00</b>	<b>5,778,138.76</b>	<b>144,608.18</b>	<b>523,414,971.47</b>	<b>3,844,445.89</b>	<b>2,627,651.49</b>	<b>537,607,728.79</b>
<b>Cost at 1/1/2011</b>	<b>1,797,913.00</b>	<b>5,778,138.76</b>	<b>144,608.18</b>	<b>523,414,971.47</b>	<b>3,844,445.89</b>	<b>2,627,651.49</b>	<b>537,607,728.79</b>
Acquisitions and additions 1/1-30/6/2011	-	-	-	26,822.05	92,986.65	150,681.07	<b>270,489.77</b>
Less: Disposals-Write offs 1/1-30/6/2011	-	-	-	1,181.42	280,887.95	-	<b>282,069.37</b>
<b>Carrying amounts at 30/6/2011</b>	<b>1,797,913.00</b>	<b>5,778,138.76</b>	<b>144,608.18</b>	<b>523,440,612.10</b>	<b>3,656,544.59</b>	<b>2,778,332.56</b>	<b>537,596,149.19</b>
<b>Accumulated Depreciation at 1/1/2010</b>	-	<b>1,371,233.19</b>	<b>107,522.49</b>	<b>84,635,846.56</b>	<b>3,028,205.22</b>	<b>2,390,378.62</b>	<b>91,533,186.08</b>
Depreciation for the period 1/1-31/12/2010	-	238,105.03	11,549.21	14,077,176.21	231,068.65	50,994.09	<b>14,608,893.19</b>
Less: Disposed assets accumulated depreciation 1/1-31/12/2010	-	-	5,661.34	26,820.74	30,935.14	5,755.96	<b>69,173.18</b>
<b>Total Accumulated Depreciation at 31/12/2010</b>	-	<b>1,609,338.22</b>	<b>113,410.36</b>	<b>98,686,202.03</b>	<b>3,228,338.73</b>	<b>2,435,616.75</b>	<b>106,072,906.09</b>
<b>Accumulated Depreciation at 1/1/2011</b>	-	<b>1,609,338.22</b>	<b>113,410.36</b>	<b>98,686,202.03</b>	<b>3,228,338.73</b>	<b>2,435,616.75</b>	<b>106,072,906.09</b>
Depreciation for the period 1/1-30/6/2011	-	119,052.52	4,787.90	7,037,479.33	100,021.93	47,127.47	<b>7,308,469.15</b>
Less: Disposed assets accumulated depreciation 1/1-30/6/2011	-	-	-	1,181.40	280,887.83	-	<b>282,069.23</b>

Total Accumulated Depreciation at 30/6/2011	-	1,728,390.74	118,198.26	105,722,499.96	3,047,472.83	2,482,744.22	113,099,306.01
<b>Net book value at :</b>							
1/1/2010	1,797,913.00	4,406,905.57	43,497.94	438,311,134.19	676,282.67	106,093.27	445,341,826.64
31/12/2010	1,797,913.00	4,168,800.54	31,197.82	424,728,769.44	616,107.16	192,034.74	431,534,822.70
30/6/2011	1,797,913.00	4,049,748.02	26,409.92	417,718,112.14	609,071.76	295,588.34	424,496,843.18

Following, the fair value assessment for both vessels and property no impairment loss was required to be recorded.

## 11. Investment Property

The movement of the above caption is presented on the table below:

	<b>Η Εταιρεία</b>		<b>Totals</b>
	<b>Land</b>	<b>Buildings</b>	
<b>Cost at 1/1/2010</b>	<b>556,842.00</b>	<b>1,194,801.36</b>	<b>1,751,643.36</b>
Acquisition & Additions 1/1-31/12/2010	-	-	-
<b>Carrying amounts at 31/12/2010</b>	<b>556,842.00</b>	<b>1,194,801.36</b>	<b>1,751,643.36</b>
<b>Carrying amounts at 1/1/2011</b>	<b>556,842.00</b>	<b>1,194,801.36</b>	<b>1,751,643.36</b>
Acquisition & Additions 1/1-30/6/2011	-	-	-
<b>Total Accumulated Depreciation at Cost at Cost at 30/6/2011</b>	<b>556,842.00</b>	<b>1,194,801.36</b>	<b>1,751,643.36</b>
<b>Accumulated Depreciation at 1/1/2010</b>	-	<b>247,200.29</b>	<b>247,200.29</b>
Depreciation 1/1-31/12/2010	-	41,200.05	41,200.05
<b>Total Accumulated Depreciation at 31/12/2010</b>	-	<b>288,400.34</b>	<b>288,400.34</b>
<b>Depreciation at 1/1/2011</b>	-	<b>288,400.34</b>	<b>288,400.34</b>
<b>Depreciation 1/1 - 30/6/2011</b>	-	20,600.03	20,600.03
<b>Total Accumulated Depreciation at 30/6/2011</b>	-	<b>309,000.37</b>	<b>309,000.37</b>
<b>Net Book Value at 1/1/2010</b>	<b>556,842.00</b>	<b>947,601.07</b>	<b>1,504,443.07</b>
<b>Net Book Value at 31/12/2010</b>	<b>556,842.00</b>	<b>906,401.02</b>	<b>1,463,243.02</b>
<b>Net Book Value at 30/6/2011</b>	<b>556,842.00</b>	<b>885,800.99</b>	<b>1,442,642.99</b>

## 12. Investments in subsidiaries

Investments in subsidiaries are stated below:

<b>Name</b>	<b>Participation amount</b>	
	<b>30/6/2011</b>	<b>31/12/2010</b>
Kritiki Philoxenia S.A.	3,203,208.19	3,203,208.19
Minoan Escape S.A.	85,197.80	85,197.80
Minoan Italia S.p.a.	120,000.00	120,000.00
<b>Totals</b>	<b>3,408,405.99</b>	<b>3,408,405.99</b>

## 13. Other Investments

The item “Other Investments” refers to the Company’s participation in the company Hellenic Seaways as it has been valuate at cost in accordance with I.A.S. 39 par. 54 following the company’s statement of retraction from the sale agreement of stake in the aforementioned company to ANEK S.A.

#### 14. Trade and Other receivables-Other current assets

	<u>Trade and other Receivables</u>			
	<u>The Group</u>		<u>The Company</u>	
	<u>30/6/2011</u>	<u>31/12/2010</u>	<u>30/6/2011</u>	<u>31/12/2010</u>
Customers – Cheques Receivable	61,729,945.70	54,415,849.74	61,776,593.20	54,462,497.24
Trade receivables due from affiliates and associates	46,454.03	46,454.03	102,919.34	105,902.29
Other Receivables	3,462,081.88	2,344,171.66	3,400,462.27	2,230,766.20
<b>Totals</b>	<b>65,238,481.61</b>	<b>56,806,475.43</b>	<b>65,279,974.81</b>	<b>56,799,165.73</b>

	<u>Other Current assets</u>			
	<u>The Group</u>		<u>The Company</u>	
	<u>30/6/2011</u>	<u>31/12/2010</u>	<u>30/6/2011</u>	<u>31/12/2010</u>
Prepaid Expenses	6,072,482.58	3,890,394.28	6,072,482.58	3,890,394.28
Accrued Income	8,572,614.02	6,500,009.24	8,532,571.35	6,500,009.24
<b>Totals</b>	<b>14,645,096.60</b>	<b>10,390,403.52</b>	<b>14,605,053.93</b>	<b>10,390,403.52</b>

#### 15. Non – Current assets held for sale

In the Financial Statements, non-current assets held for sale include land and buildings of a subsidiary with net book value € 5,200,000.05, for which a decision for disposal has been taken by the Management of the Company. The said property has been pledged to secure borrowings of the Company.

#### 16. Loans - Short term bank borrowings

The long - term debt of the Company is analyzed as follows:

	<u>Average</u>		<u>Average</u>	
	<u>Interest Rate</u>		<u>Interest Rate</u>	
	<u>1/1-30/6/2011</u>	<u>30/6/2011</u>	<u>1/1-30/6/2010</u>	<u>31/12/2010</u>
Bond Loan - Agent National Bank of Greece	3.46%	268,656,315.00	2.21%	268,656,315.00
Less : Net book value of transaction costs		-1,149,756.21		-1,214,837.04
<b>Totals</b>		<b>267,506,558.79</b>		<b>267,441,477.96</b>
Less : current portion of long-term loan		-14,045,325.00		-8,517,370.00
<b>Total Long term debt</b>		<b>253,461,233.79</b>		<b>258,924,107.96</b>

The bond loan agreement is denominated in Euro with a variable interest rate (euribor), plus a spread as defined in the particular agreement. The loan is repayable until 2019. Nevertheless, a partial or total prepayment of the loan, is permitted.

The interest expense of the bond loan for the periods ended 1/1-30/6/2011 and 1/1-30/6/2010, amounted to € 4,608,970.75 and € 3,203,509.51 respectively.

In order to secure the aforementioned debt, first preferred mortgages amounting to € 375,000,000.00 (vessels' book value 417,718,112.14) have been registered on the Company's vessels.

The short term borrowings on 30/6/2011 and 31/12/2010, amounted to € 16,975,000.02 and € 23,248,082.21 respectively and are guaranteed with post dated cheques. The average interest rates for the periods 1/1-30/6/2011 and 1/1-30/6/2010 reached 5.32% and 3.24% respectively.

## 17. Trade and Other payables

	<u>The Group</u>		<u>The Company</u>	
	<u>30/6/2011</u>	<u>31/12/2010</u>	<u>30/6/2011</u>	<u>31/12/2010</u>
Suppliers – Cheques payables	31,283,308.96	31,946,306.32	31,283,308.96	31,946,306.32
Income Tax payable	2,076,486.76	1,964,972.97	2,072,668.14	1,940,600.89
Withholding Taxes-Social Security Contributions payable	3,112,863.84	2,994,981.14	3,111,979.08	2,989,182.92
Dividends payable	125,024.75	552,202.33	125,024.75	552,202.33
Sundry creditors	11,428,250.44	4,647,705.15	11,424,105.35	4,643,967.86
Accrued expenses	5,716,728.40	3,632,068.47	5,716,728.40	3,631,778.75
Customer advances	1,239,007.45	538,992.61	1,239,007.45	538,992.61
Deferred income	15,055,294.61	2,869,343.87	15,055,294.61	2,869,343.87
<b>Totals</b>	<b>70,036,965.21</b>	<b>49,146,572.86</b>	<b>70,028,116.74</b>	<b>49,112,375.55</b>

The significant increase in deferred income is due to seasonality of the tickets issuance at the beginning of the summer season and the increase of figure “sundry creditors” due to the obligation to the ultimate control company.

## 18. Operating segments

The Group operates its business mainly in the passenger ferry shipping industry while the geographical segment is based on the vessels’ operations of the parent in both, coastal (Greece) and Adriatic (Europe) routes.

The Company, due to the nature of its business activities, encounters the effect of seasonality relating to the revenue from passengers’ and private cars’ fares and the revenue from on-board services (bars – restaurants, shops), that represent 29.5% and 14.0% of the total revenue respectively.

The revenue that results from truck fares represents 45.4% of the total annual revenue and it is evenly earned throughout the year. Moreover, the revenue derived from vessels’ chartering represents 11.1% of the 6-month 2011 total revenue.

	<u>The Group</u>				
	<u>30/6/2011</u>	<u>Greece routes</u>	<u>Adriatic routes</u>	<u>Unallocated items</u>	<u>Totals</u>
Revenue		19,635,142.85	50,200,169.59	9,491,342.73	<b>79,326,655.17</b>
Gross Profit / (Loss)		-2,532,224.10	-8,618,925.84	3,125,179.63	<b>-8,025,970.31</b>
Losses before net depreciation, taxation, financing and investment costs		-158,487.72	-8,880,020.25	-2,830,258.40	<b>-11,868,766.37</b>
Net depreciation		-3,017,082.31	-2,181,061.19	-2,034,244.84	<b>-7,232,388.34</b>
Losses before taxation, financing and investment costs		-3,175,570.03	-11,061,081.44	-4,864,503.24	<b>-19,101,154.71</b>
Financial Income		-	-	106,049.64	<b>106,049.64</b>
Financial Expense		-1,497,887.85	-1,230,133.21	-3,089,078.62	<b>-5,817,099.68</b>
Losses before tax		-4,673,457.88	-12,291,214.64	-7,847,532.23	<b>-24,812,204.75</b>
Income Tax expense		-	-	96,818.61	<b>96,818.61</b>
Losses after tax		-4,673,457.88	-12,291,214.64	-7,750,713.62	<b>-24,715,386.14</b>
Total Assets		184,774,926.97	169,973,703.86	249,477,715.21	<b>604,226,346.04</b>
Total Liabilities		88,500,482.33	90,842,589.93	182,202,407.27	<b>361,545,479.53</b>
Capital expenditure		2,288.42	23,969.67	244,231.68	<b>270,489.77</b>
	<u>30/6/2010</u>	<u>Greece routes</u>	<u>Adriatic routes</u>	<u>Unallocated items</u>	<u>Totals</u>
Revenue		20,706,378.50	50,047,403.48	74,718.50	<b>70,828,500.48</b>

Gross Profit	-2,562,937.31	-4,973,870.48	60,514.30	-7,476,293.49
Losses before net depreciation, taxation, financing and investment costs	-47,751.22	-4,039,619.27	-7,239,640.66	-11,327,011.15
Net depreciation	-3,208,127.42	-3,735,263.57	-293,751.98	-7,237,142.97
Losses before taxation, financing and investment costs	-3,255,878.65	-7,774,882.83	-7,533,392.64	-18,564,154.12
Financial Income	-	-	1,380,238.05	1,380,238.05
Financial Expense	-1,087,912.49	-1,375,447.42	-1,084,532.67	-3,547,892.58
Losses before tax	-4,343,791.14	-9,150,330.26	-7,237,687.25	-20,731,808.65
Income Tax expense	-	-	-1,148,586.23	-1,148,586.23
Losses after tax	-4,343,791.14	-9,150,330.26	-8,386,273.48	-21,880,394.88
<b><u>31/12/2010</u></b>				
Total Assets	187,866,550.11	172,703,489.12	254,330,768.92	614,900,808.15
Total Liabilities	92,806,371.40	93,990,896.79	160,707,287.31	347,504,555.50
Capital expenditure	26,474.65	98,707.42	735,795.99	860,978.06

The non-allocated items are closely monitored by Management and are analyzed as follows:

- Total profits/losses before depreciation taxation financing and investing costs, are mainly referred to administrative and contribution expenses which can not be reasonably allocated
- Total financial expenses refer to interest not related to vessels acquisition
- Total assets refer to assets not related to vessels
- Total liabilities refers to liabilities other than loans related to vessels acquisition

## 19. Related Party transactions

Related parties are considered the Group of the ultimate Parent Company (GRIMALDI COMPAGNIA DI NAVIGAZIONE S.p.a., domicile Palermo Italy), the members of the Board of Directors and Management of the Company, the members of the Board of Directors and Management of subsidiaries of the Group, the financially dependent members and first-degree relatives of the members of the Board of Directors and Management, and the associate companies.

On the tables below the balances of trade receivables and payables on June 30<sup>th</sup> 2011 and December 31<sup>st</sup> 2010, as well as the purchases and sales of the companies of the Group for the first half of 2011 and 2010 are presented:

### 19.1 Group of Ultimate Parent Company

<b><u>30/06/2011</u></b>	<b><u>Grimaldi Compagnia di Navigazione S.p.a.</u></b>	<b><u>Atlantica di Navigazione S.p.a.</u></b>	<b><u>Industria Armamento Meridionale S.p.a.</u></b>	<b><u>Finnlines Plc</u></b>	<b><u>Grimaldi Tours</u></b>	<b><u>Totals</u></b>
<b><u>Company</u></b>						
Minoan Lines S.A. (due from)	-	-	-	854.60	441.12	1,295.72
Minoan Lines S.A. (payable to)	5,964,557.90	450,077.53	-	-	-	6,414,635.43

**31/12/2010**

<u>Company</u>	<u>Grimaldi Compagnia di Navigazione S.p.a</u>	<u>Atlantica di Navigazione S.p.a</u>	<u>Industria Armamento Meridional e S.p.a.</u>	<u>Finnlines Plc</u>	<u>Grimaldi Tours</u>	<u>Totals</u>
Minoan Lines S.A. (due from)	10,194.92	1,055,395.14	-	854.60	62,879.80	<b>1,129,324.46</b>
Minoan Lines S.A. (payable to)	-	-	2,703.53	-	-	<b>2,703.53</b>

**1/1-30/6/2011****Company**

	<u>Grimaldi Compagnia di Navigazione S.p.a.</u>	<u>Atlantica di Navigazione S.p.a.</u>	<u>Totals</u>
<b>Minoan Lines S.A.</b>			
Chartering cost	6,991,859.79	-	<b>6,991,859.79</b>
Crew wages cost of chartered vessels	267,549.79	-	<b>267,549.79</b>
Proportion of on board sales of chartered vessel	831,978.30	153,727.14	<b>985,705.44</b>
Fuel Cost of chartered vessels	-	417,267.05	<b>417,267.05</b>
Other costs	36,637.10	47,212.73	<b>83,849.83</b>
<b>Totals</b>	<b>8,128,024.98</b>	<b>618,206.92</b>	<b>8,746,231.90</b>

Revenue from chartered vessels	-	4,712,024.70	<b>4,712,024.70</b>
Revenue from crew coat reduction of chartered vessels	189,890.35	249,545.17	<b>439,435.52</b>
Other revenue	32,966.50	36,610.20	<b>69,576.70</b>
<b>Totals</b>	<b>222,856.85</b>	<b>4,998,180.07</b>	<b>5,221,036.92</b>

1/1-30/06/2010

<u>Company</u>	<u>Grimaldi Compagnia di Navigazione S.p.a.</u>	<u>Atlantica di Navigazione S.p.a</u>	<u>Totals</u>
<b>Minoan Lines S.A.</b>			
Vessel's Chartering cost	4,345,968.07	-	4,345,968.07
Crew payroll cost of chartered vessel	45,307.32	-	45,307.32
Other costs	48,246.32	9,099.60	57,345.92
<b>Total</b>	<b>4,439,521.71</b>	<b>9,099.60</b>	<b>4,448,621.31</b>
<b>50% proportion of on board sales of chartered vessels</b>	<b>548,623.68</b>	<b>-</b>	<b>548,623.68</b>

**19.2 Subsidiaries**30/6/2011

<u>Company</u>	<u>Minoan Escape S.A.</u>	<u>Kritiki Filoxenia S.A.</u>	<u>Totals</u>
Minoan Lines S.A. (due from)	-	56,465.31	<b>56,465.31</b>
Athina A.V.E.E. (due from)	-	38,419.35	<b>38,419.35</b>

31/12/2010

<u>Company</u>	<u>Minoan Escape S.A.</u>	<u>Kritiki Filoxenia S.A.</u>	<u>Totals</u>
Minoan Lines S.A. (due from)	3,895.07	55,553.19	<b>59,448.26</b>
Athina A.V.E.E. (due from)	-	35,108.74	<b>35,108.74</b>

1/1-30/6/2011

<u>Company</u>	<u>Minoan Escape S.A.</u>	<u>Kritiki Filoxenia S.A.</u>	<u>Minoan Cruises S.A.</u>	<u>Totals</u>
<b>Minoan Lines S.A.</b>				
Revenue from rentals	600.00	880.42	300.00	<b>1,780.42</b>
<b>Totals</b>	<b>600.00</b>	<b>880.42</b>	<b>300.00</b>	<b>1,780.42</b>

1/1-30/6/2010

<u>Company</u>	<u>Minoan Escape S.A.</u>	<u>Kritiki Filoxenia S.A.</u>	<u>Minoan Cruises S.A.</u>	<u>Totals</u>
<b>Minoan Lines S.A.</b>				
Revenue from Fares	6,387.00	-	-	<b>6,387.00</b>
Revenue from rentals and other	20,465.71	880.42	300.00	<b>21,646.13</b>
<b>Totals</b>	<b>26,852.71</b>	<b>880.42</b>	<b>300.00</b>	<b>28,033.13</b>

Moreover, the subsidiary company Kritiki Filoxenia S.A, received during the previous period dividend from its subsidiary company Athina A.V.E.E. amount € 379.73.

### 19.3 Associates

30/6/2011

<u>Company</u>	Mediterranean Ferries S.r.l.
Minoan Lines S.A. (due from)	46,454.03

31/12/2010

<u>Company</u>	Mediterranean Ferries S.r.l.
Minoan Lines S.A. (due from)	46,454.03

All the above transactions, as referred in notes 19.1 and 19.2, were entered into at arm's length.

### 19.4 Members of the Board of Directors and Management

The remuneration to the Members of the Board of Directors and the Company's management are analysed as follows:

	<u>30/6/2011</u>	<u>30/6/2010</u>
Executive directors	251,562.70	252,472.70
Non – executive directors	95,341.00	95,461.00
Management	456,918.23	424,991.86
<b>Totals</b>	<b>803,821.93</b>	<b>772,925.56</b>

From the abovementioned remuneration that aggravated the financial results of the current period an amount of € 57,641.60 remained unpaid.

Moreover, on 30/06/2011 the company had to receive by the member of the BoD an amount of € 123,611.32 which derived from commercial activities.

### 20. Contingent liabilities

There are no changes in contingent liabilities of the Company and the Group to those referred to the Annual Financial Statements of 2010.

The unaudited tax years for the Companies that are included in the Financial Statements are presented below:

<u>Company</u>	<u>Unaudited tax years</u>
Minoan Lines S.A.	2006 – 2010
Minoan Escape S.A.	2010
Minoan Cruises S.A.	2000 – 2010
Kritiki Filoxenia S.A.	2007 – 2010
Athina A.V.E.E.	2007 – 2010
Minoan Italia S.p.a.	2009 – 2010
Mediterranean Ferries S.r.l.	2002 – 2010

The tax obligations so of the Company and the Companies of the Group, will be finalized after the completion of the relevant regular tax audits by the competent tax authorities. Moreover, there are still pending legal disputes for Value Added Tax differences for the years 1998-2005, resulted from the Company's regularly tax audit completion in 2006. It should be noted that, the Company has been justified for similar tax litigations for the years preceding 1998 by the Hellenic Council of State, thus no relevant provision has established.

## 21. Subsequent events

There are no subsequent events relating to the Company or the Group that have occurred and need to be disclosed according to the International Accounting Standard 34.

**Heraklion, August 26<sup>th</sup> 2011**

**The Vice Chairman of the  
Board**

**The Managing Director**

**The Accounting Manager**

**Konstantinos Mamalakis  
ID C No AA 367050**

**Antonios Maniadakis  
ID C No AI 944699**

**Dimitra Batsi  
ID C No AI 438159  
ID OEE 23944 First Class**



COMPANY'S INFORMATION		STATEMENT OF CHANGES IN EQUITY																																							
		The Group		The Company																																					
		30/6/2011	30/6/2010	30/6/2011	30/6/2010																																				
<p><b>COMPANY'S INFORMATION</b></p> <p>web site address: <a href="http://www.minoan.gr">www.minoan.gr</a></p> <p>Date of the Interim financial statements: August, 20th 2011</p> <p>approval by the Board of Directors: Sofianos, K. / Nikolaidis, P. / CPA (GR) 12231</p> <p>Certified Auditor / Accountant: Deloitte, Haskins &amp; Sutores S.A. Reg.No:ICJAP(GR) E120</p> <p>Audit Firm: Unqualified opinion</p> <p>Type of auditor's report:</p>		<p><b>STATEMENT OF CHANGES IN EQUITY</b></p> <p>Total equity 31/12/2011 and 31/12/2010 respectively) 267,396,262.65 316,733,918.78 265,969,979.21 309,039,763.19</p> <p>Total comprehensive income for the period after tax -24,715,366.14 -21,692,334.58 -24,808,437.98 -21,521,868.91</p> <p>Total equity at the end of the period (30/6/2011 and 30/6/2010) 242,680,896.51 295,041,584.20 241,161,541.23 287,517,894.28</p>																																							
STATEMENT OF FINANCIAL POSITION		STATEMENT OF CASH FLOWS																																							
		The Group		The Company																																					
		30/6/2011	30/6/2010	30/6/2011	30/6/2010																																				
<p><b>ASSETS</b></p> <p>Property, plant and equipment 424,201,254.64 421,342,787.90 424,201,254.64 421,342,787.90</p> <p>Investment property 1,442,542.96 1,442,243.02 1,442,542.96 1,442,243.02</p> <p>Intangible assets 292,596.34 182,034.77 292,596.34 182,034.74</p> <p>Other non-current assets 77,230,179.23 77,235,481.48 80,946,579.22 80,942,637.47</p> <p>Inventories 10,992,021.02 6,249,047.32 10,992,021.02 6,249,047.32</p> <p>Trade receivables 65,330,461.61 58,306,475.43 65,276,974.61 58,796,195.73</p> <p>Other current assets 16,652,178.36 33,111,735.42 16,390,019.36 32,020,447.02</p> <p>Non-current assets held for sale 5,200,000.00 5,200,000.00 0.00 0.00</p> <p><b>TOTAL ASSETS</b> 664,228,348.24 614,800,691.15 664,164,958.30 612,028,812.96</p> <p><b>EQUITY AND LIABILITIES</b></p> <p>Share Capital 159,503,500.00 159,503,500.00 159,503,500.00 159,503,500.00</p> <p>Retained Earnings and other Reserves 63,046,363.44 107,811,365.33 61,537,140.35 106,375,573.21</p> <p>Total Shareholders' Equity (a) 222,549,863.44 267,314,865.33 221,040,640.35 265,879,073.21</p> <p>Non-Controlling Interest (b) 500.07 1,367.63 0.00 0.00</p> <p><b>TOTAL EQUITY (c) = (a) + (b)</b> 223,050,363.51 268,682,232.96 221,040,640.35 265,879,073.21</p> <p>Long-term borrowings 253,481,233.79 252,824,107.96 253,481,233.79 252,824,107.96</p> <p>Provisions / other long-term liabilities 7,026,825.51 7,969,432.47 6,223,796.30 7,064,596.03</p> <p>Bank overdrafts and current portion of long-term borrowings 31,020,325.02 31,705,452.21 31,020,325.02 31,705,452.21</p> <p>Other current liabilities 70,006,281.21 43,146,272.96 70,028,118.74 45,112,375.55</p> <p><b>TOTAL LIABILITIES (d)</b> 361,534,671.83 347,504,868.60 361,023,444.83 348,998,534.75</p> <p><b>TOTAL EQUITY AND LIABILITIES (c) + (d)</b> 664,228,348.24 614,800,691.15 664,164,958.30 612,028,812.96</p>		<p><b>STATEMENT OF CASH FLOWS</b></p> <p>Cash flows from operating activities</p> <p>Loss before Taxes -24,812,294.75 -26,731,396.68 -24,808,437.98 -23,987,044.81</p> <p>Plus / Less adjustments for:</p> <p>Net depreciation and amortization 7,222,368.34 7,227,142.97 7,222,368.34 7,227,092.57</p> <p>Provisions 148,116.02 151,121.17 148,116.02 151,121.17</p> <p>Net foreign exchange (gains) / losses -40,832.86 20,257.14 -40,832.86 20,257.14</p> <p>Income / (expense), gains / (losses) from investing activities -6,464.57 -560,240.72 -6,464.40 -560,240.72</p> <p>Interest and other financial expense 5,917,096.66 3,547,932.58 5,919,813.90 3,541,024.90</p> <p>Plus / Less adjustments for changes in working capital or operating activities</p> <p>Increase in inventories -1,406,964.80 -1,825,133.03 -1,406,964.80 -1,825,133.03</p> <p>Increase in trade and other receivables -12,969,903.07 -24,578,435.73 -12,969,903.07 -24,578,435.73</p> <p>Increase in liabilities other than borrowings 16,576,426.69 16,151,006.60 16,574,183.11 16,441,203.95</p> <p>Less:</p> <p>Interest and related expense paid -4,027,364.71 -3,680,201.64 -4,027,173.71 -3,684,064.24</p> <p>Income taxes paid -526,249.66 -23,721.48 -526,545.54 0.00</p> <p>Net cash used in operating activities (a) -23,748,876.14 -23,386,776.33 -23,748,794.86 -23,988,791.26</p> <p><b>Cash flows from investing activities</b></p> <p>Purchase of property, plant and equipment -270,466.77 -152,403.34 -270,466.77 -152,403.34</p> <p>Proceeds from property, plant and equipment disposal 0.00 600,000.00 0.00 300,000.00</p> <p>Advance from disposal of other investments 0.00 13,000,000.00 0.00 13,000,000.00</p> <p>Dividends received 6,464.54 6,453.00 6,464.54 6,453.00</p> <p>Net cash (used) / generated by investing activities (b) -264,028.23 13,663,679.66 -264,028.23 13,664,079.66</p> <p><b>Cash flows from financing activities</b></p> <p>Proceeds from long-term borrowings 0.00 829,545.58 0.00 829,545.58</p> <p>Repayment of long-term borrowings -5,273,002.16 -5,273,002.16 -5,273,002.16 -5,273,002.16</p> <p>Repayment of finance lease liabilities 0.00 -36,597.76 0.00 -36,597.76</p> <p>Dividends paid -427,177.58 -348.00 -427,177.58 -348.00</p> <p>Net cash used in financing activities (c) -4,700,269.77 -4,780,388.58 -4,700,269.77 -4,780,388.58</p> <p>Net decrease in cash and cash equivalents (a)+(b)+(c) -27,714,264.14 -14,387,085.25 -27,684,051.06 -24,104,874.49</p> <p>Cash and cash equivalents at the beginning of the period 22,946,788.66 47,478,862.31 22,572,489.20 46,943,206.98</p> <p><b>Cash and cash equivalents at the end of the period</b> 4,832,524.52 33,114,798.06 4,888,417.15 32,838,332.49</p>																																							
STATEMENT OF COMPREHENSIVE INCOME																																									
		The Group		The Company																																					
		1/1-30/6/2011	1/1-30/6/2010	1/1-30/6/2011	1/1-30/6/2010																																				
<p>Revenue 79,228,686.17 70,028,893.40 44,792,873.59 41,828,142.23 79,227,814.38 70,783,791.98 44,792,864.78 41,842,467.82</p> <p>Gross loss -4,028,870.31 -7,478,293.46 -4,819,738.68 -4,105,128.95 -4,818,111.12 -7,508,937.79 -4,844,334.71 -4,138,264.81</p> <p>Operating loss before tax, financing and investing costs -19,181,154.71 -16,984,154.12 -11,279,825.06 -7,037,081.59 -19,096,938.18 -18,833,686.34 -11,283,715.56 -6,996,096.87</p> <p>Loss before taxes -24,012,254.75 -20,713,993.67 -14,349,963.67 -8,421,022.95 -24,006,437.98 -20,697,046.91 -14,315,529.46 -8,396,882.77</p> <p>Loss after taxes (a) -24,715,366.14 -21,692,334.58 -14,329,840.95 -8,864,091.73 -24,808,437.98 -21,691,980.91 -14,318,529.46 -8,816,496.77</p> <p>- Equity holders of the parent -24,714,821.80 -21,688,293.96 -14,327,526.24 -8,863,088.21 -24,806,437.98 -21,691,980.91 -14,318,529.46 -8,816,496.77</p> <p>- Non-Controlling Interest -494.96 -1,193.82 -494.96 -1,193.82 0.00 0.00 0.00 0.00</p> <p>Other Comprehensive Income after taxes (b) 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00</p> <p>Total comprehensive income after taxes (a)+(b) -24,715,366.14 -21,692,334.58 -14,329,840.95 -8,864,091.73 -24,808,437.98 -21,691,980.91 -14,318,529.46 -8,816,496.77</p> <p>- Equity holders of the parent -24,714,821.80 -21,688,293.96 -14,327,526.24 -8,863,088.21 -24,806,437.98 -21,691,980.91 -14,318,529.46 -8,816,496.77</p> <p>- Non-Controlling Interest -494.96 -1,193.82 -494.96 -1,193.82 0.00 0.00 0.00 0.00</p> <p>- Basic and diluted earnings per share after taxes (a) Operating loss before tax, depreciation, financing and investing costs -11,069,796.37 -11,327,811.15 -7,869,951.85 -3,262,743.38 -11,356,980.81 -11,296,372.47 -7,835,571.34 -3,263,061.89</p>		<p>Notes and Information:</p> <p>1. The subsidiaries and associates that are included in the above stated consolidated financial statements with their location, the Group interest and the consolidation method are presented in note 1 of the Interim financial statements.</p> <p>2. The consolidated financial statements are included in the consolidated financial statements of the company "GRIMALDI COMPAGNIA DI NAVIGAZIONE S.p.A." (Incorporated in Palermo Italy) which at the period ended participated in the share capital of the parent company with 91.29% (call option 4.11% included).</p> <p>3. The unaffiliated sea vessels of the Company and of the companies of the Group are analyzed in note 20 of the Interim financial statements.</p> <p>4. The main accounting principles of 31/12/2010 have been consistently applied.</p> <p>5. For securing the long-term debt, first preferred mortgages have been registered on the vessels of the above stated financial statements amounting to € 375,000,000.00.</p> <p>6. There are no outstanding disputes in the courts or any arbitration against the Company and consolidated subsidiaries, which could have substantial effects on the financial position.</p> <p>The relevant provisions included in the above stated financial statements are the following:</p> <table border="1"> <thead> <tr> <th></th> <th>The Group</th> <th>The Company</th> </tr> </thead> <tbody> <tr> <td>Provisions for debtors balances legally pursued</td> <td>8,753,764.22</td> <td>8,753,764.22</td> </tr> <tr> <td>Provisions for unaffiliated tax years</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td>Other Provisions</td> <td>0.00</td> <td>0.00</td> </tr> </tbody> </table> <p>7. The number of the personnel employed by the Group for the period ended 30/6/2011 and 30/6/2010 was 643 and 707, respectively.</p> <p>8. Earnings per share is calculated on the weighted average number of shares outstanding.</p> <p>9. The total inflows and outflows, as well as the receivables and payables, resulting from transactions among the related parties in accordance with the I.A.S. 24 are as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>The Group</th> <th>The Company</th> </tr> </thead> <tbody> <tr> <td>a) Inflows</td> <td>5,227,096.92</td> <td>5,227,017.34</td> </tr> <tr> <td>b) Outflows</td> <td>8,748,231.90</td> <td>8,748,231.90</td> </tr> <tr> <td>c) Receivables</td> <td>47,749.75</td> <td>104,212.06</td> </tr> <tr> <td>d) Payables</td> <td>8,414,825.43</td> <td>8,414,825.43</td> </tr> <tr> <td>e) Transactions and compensations of directors and members of board of directors</td> <td>803,021.90</td> <td>803,021.90</td> </tr> <tr> <td>f) Receivables from directors and members of board of directors</td> <td>123,811.32</td> <td>123,811.32</td> </tr> <tr> <td>g) Payables to directors and members of board of directors</td> <td>57,941.60</td> <td>57,941.60</td> </tr> </tbody> </table>					The Group	The Company	Provisions for debtors balances legally pursued	8,753,764.22	8,753,764.22	Provisions for unaffiliated tax years	0.00	0.00	Other Provisions	0.00	0.00		The Group	The Company	a) Inflows	5,227,096.92	5,227,017.34	b) Outflows	8,748,231.90	8,748,231.90	c) Receivables	47,749.75	104,212.06	d) Payables	8,414,825.43	8,414,825.43	e) Transactions and compensations of directors and members of board of directors	803,021.90	803,021.90	f) Receivables from directors and members of board of directors	123,811.32	123,811.32	g) Payables to directors and members of board of directors	57,941.60	57,941.60
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<p>THE VICE CHAIRMAN OF THE BOARD KONSTANTINOS NIKOLAIDIS ID: C Nr AA 38789</p>		<p>THE MANAGING DIRECTOR ANTONIO MANIANDIS ID: C Nr A 94699</p>		<p>THE ACCOUNTING MANAGER DIMITRA BATSI ID: C Nr A 62819 ID: 23944 First Class</p>																																					