MINOAN LINES SHIPPING S.A.

FIFTH CONSOLIDATED BALANCE SHEET

(AS AMENDED BY THE ANNUAL GENERAL MEETING

PUBLIC LIMITED COMPANIES

ASSETS

		Current Financial Year 2002		EURO	Previous Financial Year 2001		EURO
		Book Value	Depreciation	Net Book Value	Book Value	Depreciation	Net Book Value
B. FORMATION EXPENSES							
1. Start - up costs		43,236.36	26,947.06	16,289.30	42,167.30	17,444.55	24,722.75
2. Exchange rate adjustments on loans for acquisitions		5,525,373.82	2,322,979.10	3,202,394.72	8,666,582.37	3,816,956.37	4,849,626.00
3. Construction Period Interest cost		7,330,689.04	4,388,332.77	2,942,356.27	6,843,842.36	3,090,550.68	3,753,291.68
4. Other formation expenses		15,223,338.92	12,622,369.48	2,600,969.44	14,906,498.57	9,431,434.83	5,475,063.74
		28,122,638.14	19,360,628.41	8,762,009.73	30,459,090.60	16,356,386.43	14,102,704.17
C. FIXED ASSETS							
I. Intangible Assets							
1.Research and Development expenses		560,075.41	224,030.16	336,045.25	560,075.41	112,015.08	448,060.33
2. Concessions Trademarks, Rights & Licenses		29,347.03	29,347.02	0.01	29,347.03	23,477.62	5,869.41
5. Other Intangible Assets		891 414.80	766 654.51	124 760.29	1 147 967.72	952 152.61	195 815.11
		1,480,837.24	1,020,031.69	460,805.55	1,737,390.16	1,087,645.31	649,744.85
II. Tangible Assets							
1. Land		3,955,478.52	0.00	3,955,478.52	3,955,478.52	0.00	3,955,478.52
3. Buildings and technical work		5,778,295.82	2,374,564.04	3,403,731.78	4,629,293.46	2,193,181.88	2,436,111.58
5. Transportation means		136 939.83	80 357.07	56 582.76	122 835.66	69 409.01	53 426.65
5a. Vessels	876,928,347.04						
Less: Provisions for devaluation	22,400,000.00	854,528,347.04	40,823,217.83	813,705,129.21	777,916,230.95	53,447,464.63	724,468,766.32
6. Furniture and Fixture		3,552,911.41	2,467,137.39	1,085,774.02	3,242,383.44	2,180,520.09	1,061,863.35
7a. Advance payments for vessels' purchase		0.00	0.00	0.00	40,057,792.63	0.00	40,057,792.63
		867,951,972.62	45,745,276.33	822,206,696.29	829,924,014.66	57,890,575.61	772,033,439.05
TOTAL FIXED ASSETS (CI + CII)				822,667,501.84			772,683,183.90
III. Investments and other Long - Term Assets							
1. Holdings in Associated companies			70,797,566.92			118,239,047.15	
Less: Unpaid installments			0.00	70,797,566.92		0.00	118,239,047.15
7. Other Long - Term Assets				27,780.00			15,899.93
				70,825,346.92			118,254,947.08
TOTAL FIXED ASSETS EMPLOYED (CI + CII + CIII)				893,492,848.76			890,938,130.98
D. CURRENT ASSETS							
I. Inventories							
1. Merchandise				2,761,988.28			2,780,640.97
4. Consumables - Spare Parts				1,790,971.60			1,473,005.14
5. Advances against inventories purchase				1 496.76			6 211.83
				4,554,456.64			4,259,857.94
II. Debtors							
1. Trade Debtors				6,972,359.42			3,731,388.63
2. Bills receivable				0.00			90,034.36
3a. Items for collection							0.00
- In portfolio			2,470,461.07			2,921,099.28	
- In Banks			18,869,543.08	21,340,004.15		8,455,776.96	11,376,876.24
6. Short - Term Receivables from associated companies				2,176,166.70			
10. Doubtful trade debtors and receivables			1,282,317.79			1,295,002.00	
Less: Provisions for doubtful accounts			75,413.88	1,206,903.91		75,413.88	1,219,588.12
11. Other Debtors				10,552,408.75			25,446,842.15
12. Advances and Prepayments				24,835.18			31,015.29
				42,272,678.11			41,895,744.79
III. Marketable Securities							
1. Shares		18,734,255.69			22,973,944.96		
3. Other Securities		0.00	18,734,255.69		19,276,289.23	42,250,234.19	
Less: Provisions for devaluation			14,363,345.29	4,370,910.40		22,569,706.67	19,680,527.52
IV. Cash							
1. Cash in hand				186,947.54			212,815.76
3. Sight and time Deposits				1,292,239.36			9,050,407.07
				1,479,186.90			9,263,222.83
TOTAL CURRENT ASSETS (DI + DII + DIII + DIV)				52,677,232.05			75,099,353.08
E. TEMPORARY ASSETS							
1. Deferred Expenses				1,820,497.21			4,260,417.98
2. Accrued income				35,869.76			13,949.94
3. Other asset suspense accounts				24,679.10			0.00
				1,881,046.07			4,274,367.92
TOTAL ASSETS (B + C + D + E)				956,813,136.61			984,414,556.15
DEBIT MEMO ACCOUNTS							
1. Third parties assets			12,286.13			0.00	
2. Guarantees and collateral securities			776,100,033.58			788,340,401.20	
4. Other contra accounts			1,337.00	776,113,656.71		56,803.00	788,397,204.20

- GROUP OF COMPANIES

AS AT 31st DECEMBER 2002 (1 JANUARY - 31 DECEMBER 2002)

OF SHAREHOLDERS OF JUNE 29, 2003)

REGISTRATION No.11314/06/B/86/13

LIABILITIES & SHAREHOLDERS EQUITY

		Current Financial Year 2002 EURO		Previous Financial Year 2001 EURO
A. SHARE CAPITAL				
I. Share Capital (70.926.000 shares of 2.25 euro each)				
1. Issued and fully paid		159,583,500.00		156,110,051.36
		159,583,500.00		156,110,051.36
II. Share premium account				
1.Paid - in		156,737,156.38		159,933,040.65
		156,737,156.38		159,933,040.65
III. Revaluation Reserves and Investments Grants				
1. Revaluation of investments		2,668.80		2,668.80
2. Revaluation of reserves		0.00		277 564.37
3. Government Grants for Fixed Assets	6,588,798.01		12,459,418.34	
Less:				
Depreciation of subsidies				
for purchase of fixed assets	634,542.45	5,954,255.56	6,319,659.33	6,139,759.01
		5,956,924.36		6,419,992.18
IV. Reserves				
1. Ordinary reserves	9,160,524.59		9,151,737.68	
Less: Loss from sale or value decline of participating				
interests and securities for offsetting	(22,802,170.76)	(13,641,646.17)	(28,804,629.10)	(19,652,891.42)
4. Extraordinary reserves		58,114,127.23		58,114,127.23
5. Tax - Free reserves under special law		3,438,908.61		3,438,531.10
		47,911,389.67		41,899,766.91
V. Results carried forward				
1. Retained Losses		(131,677,518.15)		(33,544,846.72)
		(131,677,518.15)		(33,544,846.72)
VIII. Consolidation Differences		(4,485,010.33)		(4,483,948.74)
TOTAL SHAREHOLDERS EQUITY		234,026,441.93		326,334,055.64
(AI + AII + AIII + AIV + AV + AVIII)				
IX. Minority Interests		4,286,525.95		6,463,276.47
Total Shareholders Equity (AI + AII + AIII + AIV + AV+ AVIII + AIX)		238,312,967.88		332,797,332.11
B. PROVISIONS FOR LIABILITIES AND EXPENSES				
1. Severance pay indemnities due to retirement		1,545,265.98		1,573,865.46
2. Other provisions		6,929,919.74		3,218,460.16
		8,475,185.72		4,792,325.62
C. LIABILITIES				
I. Long - Term debt				
2. Bank Loans		482,112,033.16		377,413,937.04
		482,112,033.16		377,413,937.04
II. Short - Term Liabilities				
1. Suppliers		19,001,435.36		13,464,353.77
2a. Post - dated cheques		5,462,019.66		13,201,082.58
3. Banks - short-term liabilities		129,379,832.88		122,124,083.60
4. Customers advances		3,868,832.99		29,787.62
5. Taxes and duties payable		1,910,997.18		2,608,964.56
6. Social Security Contributions		438,587.68		747,756.28
7. Current portion of long - term debt		39,402,250.00		94,217,692.03
9. Liabilities to other affiliates		697,492.90		11,925,547.51
10. Dividends payable		937,855.93		1,068,663.23
11. Sundry Creditors		20,896,629.45		7,155,072.50
		221,995,934.03		266,543,003.68
Total Liabilities (CI + CII)		704,107,967.19		643,956,940.72
D. ACCRUALS AND DEFERRED INCOME				
1. Accrued income		383,677.98		251,436.28
2. Accrued expenses		5,533,337.84		2,616,521.42
		5,917,015.82		2,867,957.70
TOTAL LIABILITIES (A + B + C +D)		956,813,136.61		984,414,556.15
CREDIT MEMO ACCOUNTS				
1. Beneficiaries of third parties assets	12,286.13		0.00	
2. Beneficiaries of guarantees and				
collateral securities	776,100,033.58		788,340,401.20	
4. Other contra accounts	1,337.00	776,113,656.71	56,803.00	788,397,204.20

NOTES: 1. In the above-consolidated Financial Statements 1.01-31.12.2002 are included, apart from the parent company, the subsidiary companies MINOAN CRUISES-SHIPPING S.A., MINOAN CHANGE-Currency S.R.L., CRETAN FILOXENIA S.A. and its subsidiary ATHENA A.V.E.E., which were consolidated with the full consolidation method. Also included with the net worth method are the associated undertakings FORTHnet S.A., following mortgages: a) Mortgages of € 708,755,000 to assure bank loans the balance of which at 31.12.2002 amounts to € 614,955,031.82 and b) On certain ships mortgages of € 13,703,000 and USD 6,928,350 to assure net carrying value of certain privately owned by the parent company real estate of approximately € 1.20 million to the assessed value which amounted to approx. € 2.35 million, owing to which increased their acquisition cost Meeting of shareholders of the parent company held on 30.6.2002, the share capital was increased by € 3,473,448.64 with the simultaneous increase of the par value of each share to EURO 2.25 through the capitalization of share capital was converted into EURO according to Law 2842/2000. **5.** In the items "Extraordinary profit" and "Extraordinary losses" of the Consolidated Income statement for the period are respectively included profit of € retirement benefits so much for the parent company as for its local subsidiaries. As for the parent company the existing, accumulated set up provision, until 31.12.1997, far exceeds the minimum amount provided for by to the opinion No. 205/1988 of the Plenary Session of the Administrator Legal Advisors. Had the domestic subsidiary companies of the group set up such a provision would not have been significant. Foreign subsidiary company the fine imposed by the European Competition Committee plus interest of € 3.90 million for which a provision was set up of € 2.64 million. b) For prior years' tax differences of € 1.77 million, for which a provision has been set from its collaboration with them in 1991, which are likely to burden the Company with the amount of approximately € 0.29 million, in the event its views are not proven right and d) For the fine imposed by the Antitrust Commission company with the amounts of USD 559,377 (equal to € 533,400.39) and € 210,162.45 in the circumstance of the forfeiture of guarantee letters, in favor of a subsidiary company, of respective amounts which have been issued

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST DECEMBER 2002

At December 31, 2002 (1 January - 31 December 2002)

			Current Financial Year 2002 EURO		Previous Financial Year 2001 EURO
I. OPERATING RESULTS					
Turnover (Sales)			179,982,729.91		152,310,486.10
Less:	Cost of sales		126,273,361.08		117,808,169.63
Gross operating results			53,709,368.83		34,502,316.47
Plus:	1. Other operating income		394,111.05		218,334.59
Total			54,103,479.88		34,720,651.06
Less:	1. Administration expenses	13,005,318.33		11,867,462.52	
	3. Sales expenses	17,092,449.99		20,251,625.51	
	4. Uncosted Production Cost (under - utilization / vessel lay - up)	1,479,268.22	31,577,036.54	1,099,110.75	33,218,198.78
Operating results (profit)			22,526,443.34		1,502,452.28
Plus:					
	1a. Revenue from affiliates	116,452.20		263,920.09	
	2. Revenues from marketable securities	21,307.42		288,682.18	
	3. Profits from sales of Participations and marketable securities	1,481,015.86		0.00	
	4. Interest income and related income	159,361.98	1,778,137.46	467,743.16	1,020,345.43
Less:					
	1. Valuation differences from Equity participations & Securities	12,896,111.23		0.00	
	1a. Losses from affiliates	17,212,874.71		7,418,069.44	
	2. Expenses and losses from participations and marketable securities	9,240,170.25		130,316.13	
	3. Debit interest and similar charges	33,869,652.89	73,218,809.08	26,741,658.05	34,290,043.62
Total operating results (loss)			(48,914,228.28)		(31,767,245.91)
II. Plus: Non operating items					
	1. Extraordinary & Non - Operating revenues	829,550.83		6,973,455.49	
	2. Extraordinary Revenues	3,731,428.32		9,543,360.23	
	3. Revenues from previous years' provisions	707,360.31	5,268,339.46	444,812.32	16,961,628.04
Less:					
	1. Extraordinary & non - operating expenses	6,359,906.98		5,458,891.00	
	2. Extraordinary losses	5,415,885.75		2,328,248.11	
	3. Prior years' losses	2,457,794.72		1,403,535.79	
	4. Provisions for special risks	25,648,518.00	39,882,105.45	0.00	9,190,674.90
Operating and extraordinary results (loss)			(83,527,994.27)		(23,996,292.77)
Less:					
	1. Total depreciation of Fixed Assets and Start - Up expenses	18,890,243.21		15,479,290.56	
	Less: Depreciation included in operating results	18,890,243.21	0.00	14,774,961.87	704,328.69
NET RESULTS (LOSS) FOR THE YEAR BEFORE TAXES			(83,527,994.27)		(24,700,621.46)
Less: Income taxes			149,582.40		42,110.16
Othertaxes not included in operating cost			277,405.86		116,061.54
NET RESULTS (LOSS) FOR THE YEAR AFTER TAXES			(83,954,982.53)		(24,858,793.16)
LESS: Minority shares not included in operating cost			(2,177,482.60)		(1,811,895.85)
NET CONSOLIDATED RESULTS (LOSS) FOR THE GROUP			(81,777,499.93)		(23,046,897.31)

Exchange S.A. (under liquidation), MINOAN LINES HIGHSPEED FERRIES-SHIPPING Co. (under liquidation), EUROPEAN THALASSIC AGENCIES SHIPPING MANAGEMENT & CONSULTANTS S.A., MINOAN AGENCIES HELLAS FLYING DOLPHINS SHIPPING S.A., MEDITERRANEAN FERRIES S.R.L. and the associated up until 29.10.2002 company FORTH-CRS S.A. **2.** On the fixed assets of the companies of the Group there are the bank loans the balance of which at 31.12.2002 amounts €10,470,241.83 and USD 5,057,740. **3.** In the present year, based on the option provided by the provisions of article 28, L. 3091/2002, was readjusted the, at 31.12.2002, by approximately € 1.15 million. The surplus amount is disclosed in the net equity item "Loss from sale or value decline of participating interests and securities for offsetting". **4.** Following a decision of the Ordinary General (a) reserves of € 3,195,884.27 arising from the issuance of shares above par and (b) € 277,564.37 arising from the revaluation of real property as per L.2065/1992, and the par value of each share of the parent Company's 3.58 million and loss of € 5.37 million from sale of ships. **6.** The personnel employed by the companies of the Group at 31.12.2002 amount to 1,128 persons. **7.** As in the previous year, a provision has not been set up for staff c.L.2190/1920. As regards to the domestic subsidiary companies, a provision was not set up because no member of the staff of these companies does not meet the requirements for retirement in the following year, according sets up provision for staff retirement benefits according to foreign legislation. **8.** The parent Company's pending cases up until the drawing up date of the summary consolidated financial statements were the following: a) For up of € 0.32 million. For the cases, which were heard, the Court of the First Instance proved the Company right, for a total amount of approximately € 1.31 million. c) For disputes with the other shipping companies of Crete, of € 4.50 million for which the Company has filed an appeal against this decision before the Administrative Court of Appeals of Athens which has not been heard yet. **9.** The charge or not of the results for the period of a subsidiary in favor of NAT, is related to the outcome of the legal actions which NAT has already proceeded to and the aforesaid Subsidiary undertaking will proceed with.

Heraklion, 7 July 2003

THE CHAIRMAN OF THE BOARD	THE VICE CHAIRMAN	THE GENERAL MANAGER	THE CHIEF ACCOUNTANT
KONSTANTINOS KLIROMOS ID C No K 980430	EMMANUIL KOULENDAKIS ID C No F 251786	PANAGIOTIS KASSAPAKIS ID C No P 831611	DIMITRA BATSI A 0023944

AUDITOR'S REPORT
To the Shareholders of "MINOAN LINES SHIPPING S.A." and its subsidiaries

We have audited according to the provisions of art. 108 of L. 2190/1920 the fifth Consolidated Financial Statements, as well as the related Notes on the Accounts of "MINOAN LINES S.A." and its subsidiary undertakings, for the year ended December 31, 2002 as restated by the decision of the Annual General Meeting of Shareholders of the 29th June 2003 of the parent company. Our examination included such auditing procedures as we considered necessary in the circumstances for the purpose of our audit, which are in conformity with the standards of auditing followed by the Institute of Certified Auditors - Accountants in Greece and lastly we verified that the Directors' Consolidated Report is consistent with the related Consolidated Financial Statements. We have not extended our audit to the examination of the Financial Statements of the other, beyond the parent, companies, which are included in the consolidation and represent 2,03% and 1,70% of consolidated total assets and turnover. The Financial Statements of the first subsidiary, that is stated in the Company's note No. 1, are audited by another Certified Auditor, on whose "Auditor's Report" we have relied on, in order to express our opinion hereof, insofar as it relates to the items included in the consolidation of the aforesaid subsidiary. Likewise we have not extended our audit to the examination of the Financial Statements for the other subsidiaries, which are included in the consolidation and represent a minus rate of the consolidated total assets and turnover. These Financial Statements have been prepared by the respective Management of each Company and we were furnished with all the necessary explanations that we considered appropriate for the audit concerning the correct preparation of Consolidated Financial Statements. As a result of our audit it is noted that: **1)** The consolidated prior years' results should have been charged with debit exchange differences of approx. € 2,20 million that incurred at the valuation of the liabilities of the parent company in foreign currency (USD). This amount was included in the item B4 "Other formation expenses" and amortized in accordance with the provisions of AYO 1112072/11332/B0012/Pol. 1294/8.12.2000. **2)** Up to the date of the above consolidated financial statements had not been heard nor judged without appeal the following pending cases of the parent Company: a) for the imposed by the Competition European Committee, in the year 1998, fine plus interest amounting to € 3,90 million in respect of which it has been accumulated a provision of approx. € 2,64 million over prior years b) for past years' tax differences of approx. € 1,77 million part of which were heard and the company was proven right in first instance for a total amount of approx. € 1,31 million. The accumulated in prior years provision in this case amounts to approx. € 0,32 million c) for disputes with the other shipping companies of Grete, following their collaboration in the year 1991, which may burden the company with approx. € 0,29 million in case where it is not proven right and d) for the imposed by the Competition Committee, fine of € 4,50 million. Against the above sentence a recourse has been brought before the Athens Administrative Court of Appeal which has not been heard yet. In respect of the case d afore, the company has not set up a relative provision. **3)** The surcharge or not, of the consolidated results with the amounts, USD 559.377,00 (equal in Euro 533.400,39) and € 210.162,44 in case of forfeiture of guarantees, in favour of a subsidiary company, letters of respective amounts which have been issued towards NAT, is associated with the outcome of the legal action that the subsidiary company will take as well as with the legal action already commenced by the NAT. In our opinion, after taking into consideration our foregoing notes, as well as the Company's notes the above restated Consolidated Financial Statements, have been prepared according to the provisions of c.L. 2190/1920 and in conformity with legal requirements and generally accepted accounting principles applied by the parent company on a basis consistent with that of the preceding year, give, a true and fair view of the assets, liabilities and financial position, and of the restated results of operations of all the companies which are included in the consolidation, as at 31 December, 2002. It is further noted that the items of the preceding year are expressed in Euro on the basis of the corresponding items in GRD, which were included in the published consolidated financial statements for that fiscal year.

Athens, 8 July, 2003
The Certified Public Accountant – Auditor

STEPHANOS P. SARAKOSTIDIS
SOEL Reg. No. 14621
SOL S.A. – Certified Auditors Accountants