MINOAN LINES

BALANCE SHEET AT 31st DECEMBER 2003

PUBLIC LIMITED COMPANIES

ASSETS

		Current Financial Year 2003 EURO				Previous Financial Year 2002 EURO		
		Book Value	**Depreciation**	**Net Book Value**		**Book Value**	**Depreciation**	**Net Book Value**
B. FORMATION EXPENSES								
2. Exchange rate adjustments on loans for acquisitions		3,202,394.72	757,861.22	2,444,533.50		4,849,626.00	1,647,231.28	3,202,394.72
3. Construction Period Interest cost		7,330,689.04	5,587,212.59	1,743,476.45		7,330,689.04	4,388,332.77	2,942,356.27
4. Other formation expenses		13,179,187.27	12,027,602.34	1,151,584.93		14,923,868.16	12,350,178.85	2,573,689.31
		23,712,271.03	18,372,676.15	5,339,594.88		27,104,183.20	18,385,742.90	8,718,440.30
C. FIXED ASSETS								
I. Intangible Assets								
1. Research and Development Expenses		605,399.19	345,110.00	260,289.19		560,075.41	224,030.16	336,045.25
2. Concessions, Trademarks, Rights & Licenses		29,347.03	29,347.02	0.01		29,347.03	29,347.02	0.01
5. Other Intangible Assets		233,396.14	157,709.95	75,686.19		891,414.80	766,654.51	124,760.29
		868,142.36	532,166.97	335,975.39		1,480,837.24	1,020,031.69	460,805.55
II. TANGIBLE ASSETS								
1. Land		1,580,165.36	0.00	1,580,165.36		1,362,285.04	0.00	1,362,285.04
3. Buildings and Technical works		5,046,993.30	1,686,987.21	3,360,006.09		4,952,628.74	1,548,897.01	3,403,731.73
5. Transportation means		135,765.66	93,131.42	42,634.24		134,603.83	80,065.07	54,538.76
5a. Vessels	792,733,203.75				876,928,347.04			
Less: Provisions for devaluation	0.00	792,733,203.75	52,793,011.51	739,940,192.24	22,400,000.00	854,528,347.04	40,823,217.83	813,705,129.21
6. Furniture and Fixtures		3,612,935.76	2,831,230.86	781,704.90		3,518,535.28	2,445,183.06	1,073,352.22
		803,109,063.83	57,404,361.00	745,704,702.83		864,496,399.93	44,897,362.97	819,599,036.96
TOTAL FIXED ASSETS (CI +CII)				746,040,678.22				820,059,842.51
III. Investments and other Long -Term Assets								
1. Holdings in Associated companies			11,749,336.94				17,197,360.37	
Less: Unpaid installments			0.00				33,250.00	
Provisions for devaluation			3,841,529.56	7,907,807.38			1,705,037.00	15,459,073.37
2. Investments in other companies			123,764,649.50				123,537,709.50	
Less: Provisions for devaluation			51,530,458.77	72,234,190.73			52,158,955.70	71,378,753.80
7. Other long - term assets				23,248.87				21,959.77
				80,165,246.98				86,859,786.94
TOTAL FIXED ASSETS EMPLOYED (CI + CII + CIII)				826,205,925.20				906,919,629.45
D. CURRENT ASSETS								
I. Inventories								
1. Merchandise				2,472,054.24				2,761,988.28
4. Consumables - Spare Parts				1,405,240.69				1,790,971.60
5. Advances against inventories purchase				0.00				1 496.76
				3,877,294.93				4,554,456.64
II. Debtors								
1. Trade Debtors				10,540,793.87				8,111,538.30
2. Bills receivable				99,729.69				0.00
3a. Items for collection								
- In portfolio			975,401.02				2,463,920.44	
- In Banks			18,348,618.32	19,324,019.34			18,869,543.08	21,333,463.52
5. Short - Term Receivables from associated companies				55,976.76				2,379,041.15
6. Short - Term Receivables from other affiliated companies				449,859.03				2,176,166.70
10. Doubtful trade debtors and receivables			1,488,348.55				1,282,317.79	
Less: Provisions for doubtful accounts			75,413.88	1,412,934.67			75,413.88	1,206,903.91
11. Other Debtors				2,157,932.69				2,368,952.65
12. Advances and Prepayments				1,970.85				24,835.18
				34,043,216.90				37,600,901.41
III. Marketable Securities								
1. Shares		18,957,315.69				18,734,255.69		
3. Other Securities		0.00	18,957,315.69			0.00	18,734,255.69	
Less: Provisions for devaluation			13,716,725.90	5,240,589.79			14,363,345.29	4,370,910.40
IV. Cash								
1. Cash in hand				228,986.43				183,702.40
3. Sight and time Deposits				2,624,517.51				1,009,918.46
				2,853,503.94				1,193,620.86
TOTAL CURRENT ASSETS (DI + DII + DIII + DIV)				46,014,605.56				47,719,889.31
E. TEMPORARY ASSETS								
1. Deferred Expenses				3,275,502.65				1,812,951.90
2. Accrued income				14,256.89				23,042.19
3. Other asset suspense accounts				16,244.95				24,679.10
				3,306,004.49				1,860,673.19
TOTAL ASSETS (B + C + D + E)				**880,866,130.13**				**965,218,632.25**
DEBIT MEMO ACCOUNTS								
2. Guarantees and collateral securities				765,696,504.65				771,243,568.16
4. Other contra accounts				0.00				1,337.00
				765,696,504.65				**771,244,905.16**

SHIPPING S.A.

- 31th FINANCIAL YEAR (1 JANUARY - 31 DECEMBER 2003)

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

LIABILITIES & SHAREHOLDERS EQUITY

	Current Financial Year 2003	Current Financial Year 2003 EURO	Previous Financial Year 2002	Previous Financial Year 2002 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		159,583,500.00
		159,583,500.00		159,583,500.00
II. Share premium account				
1. Paid - in		26,942,576.38		156,737,156.38
		26,942,576.38		156,737,156.38
III. Revaluation Reserves and Investment Grants				
1. Revaluation of investments		2,668.80		2,668.80
3. Investment subsidies for fixed assets	6,588,798.01		6,588,798.01	
Less:				
Depreciation of subsidies for purchase Fixed assets	820,051.20	5,768,746.81	634,542.45	5,954,255.56
		5,771,415.61		5,956,924.36
IV. Reserves				
1. Ordinary Reserves	9,213,724.97		9,137,137.97	
Less: Loss from sale or value decline of participating interests and securities for offsetting	(20,602,784.12)	(11,389,059.15)	(22,802,170.76)	(13,665,032.79)
4. Extraordinary reserves		56,978,689.06		58,114,127.23
5. Tax - Free reserves under special laws		2,556,610.09		3,387,581.06
		48,146,240.00		47,836,675.50
V. Results carried forward				
1. Retained Profits		35,938.43		0.00
2. Retained Losses		0.00		(116,258,107.77)
3. Loss brought forward		0.00		(13,813,946.94)
		35,938.43		(130,072,054.71)
TOTAL SHAREHOLDERS EQUITY (AI + AII + AIII + AIV + AV)		240,479,670.42		240,042,201.53
B. PROVISIONS FOR LIABILITIES AND EXPENSES				
1. Severance pay indemnities due to retirement		1,791,709.98		1,535,251.60
2. Other Provisions		2,927,438.52		6,918,917.11
		4,719,148.50		8,454,168.71
C. LIABILITIES				
I. Long - Term debt				
2. Bank Loans		556,422,127.69		482,112,033.16
		556,422,127.69		482,112,033.16
II. Current Liabilities				
1. Suppliers		13,351,948.53		18,927,134.86
2a. Post - dated cheques		3,994,023.13		5,435,028.49
3. Banks - short-term Liabilities		15,222,170.35		128,879,832.88
4. Customers advances		690,331.84		4,144,601.55
5. Taxes and duties payable		1,529,719.05		1,691,611.95
6. Social Security Contributions		467,548.04		389,346.29
7. Current Portion of long - term debt		30,250,000.00		39,402,250.00
8. Amounts owed to associated companies		133,999.95		7,993,067.85
9. Long -Term Liabilities - Other Affiliates		111,664.74		697,492.90
10. Dividends payable		2,251,300.49		937,855.93
11. Sundry Creditors		7,091,676.74		20,200,229.39
		75,094,382.86		228,698,452.09
Total Liabilities (CI + CII)		631,516,510.55		710,810,485.25
D. ACCRUALS AND DEFERRED INCOME				
1. Accrued income		653,242.64		381,259.81
2. Accrued expenses		3,497,178.01		5,530,516.95
3. Other Accruals		380.01		0.00
		4,150,800.66		5,911,776.76
TOTAL LIABILITIES AND SHAREHOLDERS FUNDS (A + B + C + D)		**880,866,130.13**		**965,218,632.25**
CREDIT MEMO ACCOUNTS				
2. Beneficiaries of guarantees & collateral securities		765,696,504.65		771,243,568.16
4. Other contra accounts		0.00		1,337.00
		765,696,504.65		**771,244,905.16**

NOTES: **1.** On the fixed assets of the company there are the following mortgages: a) On the buildings and ships there are mortgages of € 704,755,000.00 to assure bank loans the balance of which at 31.12.2003 amounts year was adjusted the net carrying value of certain freehold property according to the provisions of article 28 of L. 3091/2002 and occurred a surplus of approx. € 0,31 million. The surplus amount is included in the item the shareholders held on 29.6.2003 approved the reduction of the company share capital by € 129,794,580 with decrease of the nominal value of each share. At the same time approved an increase of the company's drawing up date of the above financial statements had not been heard nor judged without appeal the following pending cases of the company: a) For the imposed by the European Competition Committee fine plus accumulated a provision of approx. € 0.32 million. For all of the aforementioned cases, the Court of the First Instance proved the Company right, and as regards to VAT and income tax cases totaling € 1.15 million the Athens. In respect of the above appeal, it has been issued by the Administrative Court of Appeals the decision no. 3732/2003 which imposes the Greek State to provide further information in concern. In respect of this reorganization – refinancing. Owing to this, the amounts of long – term and current liabilities are disclosed in the above financial statements in conformity with the imminent settlement. **7.** The General Meeting of increase was realized until 16.07.1999 and their listing for dealing in the main market of the Athens Stock Exchange began at 28.07.1999. The expenses of the aforementioned issue amounted to € 7,148,761.20. **8.** In adopted. **10.** The corresponding amounts of the preceding year are set out as they have been restated by the Annual General Meeting of Shareholders of company, held on 29 June 2003. **11.** The Company has been

ANALYSIS OF REVENUES UNDER STAKOD - 2003

CODE	DESCRIPTION	€
611.0	FARES	164,421,288.32
553.1	RESTAURANTS	10,827,524.32
521.4	ON-BOARD SHOPS	9,598,951.79
554.1	BARS	6,693,928.92
927.1	CASINO - GAMES	2,044,764.19
	TOTAL	193,586,457.54

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31st DECEMBER 2003

At December 31, 2003 (1 January - 31 December 2003)

	Current Financial Year 2003	EURO	Previous Financial Year 2002	EURO
I. OPERATING RESULTS				
Net Turnover (Sales)		193,586,457.54		179,563,855.65
LESS: Cost of Sales		127,168,396.99		124,467,065.39
Gross operating results (profits)		66,418,060.55		55,096,790.26
PLUS: Other operating income		212,718.71		321,662.57
Total		66,630,779.26		55,418,452.83
LESS: 1. Administrative expenses	11,993,977.66		12,620,255.50	
3. Sales expenses	18,828,765.86		19,632,508.26	
4. Uncosted Production Costs (under - utilization / vessel lay - up)	2,810,958.72	33,633,702.24	1,263,500.80	33,516,264.56
Subtotal (profits)		32,997,077.02		21,902,188.27
PLUS:				
1. Income from participation	214,296.90		0.00	
2. Income from marketable securities	11,778.00		21,307.42	
3. Profit from sales of Participations and Marketable Securities	0.00		1,481,015.86	
4. Interest income and similar income	102,297.47	328,372.37	156,814.12	1,659,137.40
LESS:				
1. Valuation differences from Equity participations & Securities	39,972.42		66,760,103.93	
2. Expenses & Losses from participations and marketable Securities	30,562.42		9,239,471.01	
3. Interest expense and similar expense	30,944,459.98	31,014,994.82	33,748,792.88	109,748,367.82
Total Operating results (loss) before depreciation		2,310,454.57		(86,187,042.15)
II. PLUS: Extraordinary Items				
1. Extraordinary & non operating revenue	2,078,397.44		820,957.14	
2. Extraordinary Profits	3,615.24		3,720,567.64	
3. Prior financial years' income	274,748.22		701,590.77	
4. Income from prior years' provisions	2,263,035.30	4,619,796.20	0.00	5,243,115.55
LESS:				
1. Extraordinary & non-operating expenses	2,149,777.26		5,909,096.75	
2. Extraordinary Losses	18,672.77		1,068,538.12	
3. Prior years' expenses	1 189 570.93		2 428 154.97	
4. Provisions for special risks	0.00	3,358,020.96	25,648,518.00	35,054,307.84
Operating and extraordinary results (profit)		3,572,229.81		(115,998,234.44)
LESS:				
Total Depreciation of Fixed Assets and Start - Up Expenses	17,428,046.48		18,843,427.76	
LESS: Depreciation included in operating results	17,428,046.48	0.00	18,843,427.76	0.00
NET RESULTS (PROFIT) FOR THE YEAR BEFORE TAXES		**3,572,229.81**		**(115,998,234.44)**

to € 555,520,406.82 and b) On ships mortgages of €13,703,000.00 and USD 6,928,350.00 to assure other liabilities the balance of which at 31.12.2003 amounts to € 9,632,152.71 and USD 5,563,657.00. **2.** In the current
"Loss from sale or value decline of participating interests and securities for offsetting". **3.** The personnel employed by the Company at 31.12.2003 amount to 1,062 persons. **4.** The Annual Ordinary General Meeting of
share capital by a corresponding to the decrease amount with increase of the nominal value of each share by capitalization of the share premium account that is the result of shares issued above par. **5.** Up until the
interest amounting to approx. € 4.13 million in respect of which it has been accumulated a provision of approx. € 2.64 million, b) for past years' tax differences of approx. € 1.77 million in respect of which it has been
judgment is definitive and c) by decision of the Competition Committee was imposed a fine of € 4.50 million for which the company has filed an appeal against this decision before the Administrative Court of Appeals of
case the company has not set up a relative provision chargeable to the results. **6.** Liabilities in bank loans (long – term and current) and to third parties, totalling approx. € 546,00 million, are at a final stage of their
shareholders held on 16.05.1999 resolved on the increase of the share capital, raising funds totaling € 227,091,668.67 by issuing 17,731,500 new registered shares of nominal value € 2.20 each. The abovementioned
the current year was performed depreciation of fixed assets (except for the ships) on the basis of the lower rates which are provided by the P.D. 299/2003. **9.** The basic accounting principles of 31.12.2002 have been
controlled by the tax authorities up until and including the year 1996.

APPROPRIATION ACCOUNT

			Current Financial Year 2003 EURO		Previous Financial Year 2002 EURO
Net results (profits) for the year			**3,572,229.81**		**(115,998,234.44)**
LESS:	Amount transferred in the item "Loss from sale or value decline of participating interests and securities for offsetting"				
	Income from unused provision from prior years' valuation of participations & securities	1,927,114.18		0.00	
	Less: Provisions for devaluation of participations & securities	39,972.42	1,887,141.76	0.00	0.00
	Total		**1,685,088.05**		**(115,998,234.44)**
LESS:	Prior years' retained earnings (losses)		277,474.71		(13,813,946.94)
PLUS:	Prior years' tax differences		157,599.22		0.00
TOTAL			**1,565,212.56**		**(129,812,181.38)**
LESS:	1. Income taxes	0.00		0.00	0.00
	2. Other taxes not incorporated in the operating cost	**33,486.10**	**33,486.10**	**(259,873.33)**	**(259,873.33)**
	Profit for appropriation		**1,531,726.46**		**(130,072,054.71)**
Appropriated as follows:					
1. Statutory Reserves			76,587.00		0.00
2. Dividends			1,418,520.00		0.00
5. Special & Extraordinary Reserve			0.00		0.00
6. Tax free reserves:					
-per art 110 of Law 2238/94			681.03		0.00
6a. Reserves from tax exempted revenues			0.00		0.00
6b. Reserves from revenues taxed under special law			0.00		0.00
8. Profit carried forward			35,938.43		0.00
			1,531,726.46		0.00

Heraklion, 20 April 2004

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

AUDITOR'S REPORT
To the shareholders of "MINOAN LINES" SHIPPING S.A.

We have audited the above Financial Statements as well as the related Notes on the Accounts of "MINOAN LINES" SHIPPING S.A. for the year ended December 31, 2003. Our examination, within the scope of which we obtained also a full accounting report of the Company's Branch operations, was made in accordance with the requirements of art. 37 of the Companies' Act of Greece (L. 2190/1920) and also in conformity with the standards of auditing followed by the Institute of Certified Auditors - Accountants in Greece and accordingly included such tests of the accounting records and such other auditing procedures, as we considered necessary in the circumstances. We have examined the books of account and records kept by the Company and we obtained all the information and explanations, which we needed for the purpose of our audit. The Company has applied properly the Hellenic General Accounting Plan. No change in the inventory valuation method has been made, as compared with that of the previous year. We have verified that the Directors' Report to the annual General Meeting of Shareholders is consistent with the related Financial Statements. The notes on the accounts include the information required by the par. 1 art 43a L. 2190/1920. As a result of our audit it is noted that: 1. The acquisition cost of certain ships was adjusted to the market value, in accordance with the provisions of article 12 L. 3193/2003, and owing to this value adjustment, based on the respective Appraisal Reports issued by the Chamber of Shipping, occurred an offsetting negative difference of approx. € 1.97 million the amount of which was, in deduction, included in the items "Extraordinary Reserves" and "Tax free reserves under special laws" by € 1.14 million and € 0.83 million respectively. To be noted that for the ship H/S/F Prometheus has not been carried out depreciation of approx. € 1,00 million. In the case where this depreciation had been carried out then, the results would be equally in amount decreased and the negative difference amount would have amounted to approx. € 0,97 million. 2. In the item "Participating interests in affiliated undertakings" is included also a participation in a subsidiary company, acquisition cost approx. € 4.40 million, which was measured at cost, pursuant to the provisions of article 28 of P.D. 186/1992, as amended by article 32 of L. 3229/2004. Had the required valuation been performed according to the provisions of the par. 6 of article 43 of the c.L. 2190/1920 there would have arisen an equal in amount reduction of the shareholders' Equity. 3. For bad debts and disputed claims totalling approx. € 1,50 million it has been set up a provision of approx. € 0,08 million which is deemed insufficient by approx. € 0,50 million. In our opinion, the above Financial Statements, which are in agreement with the books and records of the Company, together with the Notes on the Accounts, after taking into consideration our foregoing notes as well as the company's notes under the Balance Sheet, give a true and fair view of the Company's assets, liabilities and financial position as at December 31, 2003 and of the results of its operations for the year ended on that date, in conformity with legal requirements and generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Athens, 23 April 2004
The Certified Public Accountant - Auditor

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