MINOAN LINES SHIPPING S.A.

CONDENSED FINANCIAL STATEMENTS OF THE FIRST SEMESTER ENDED JUNE 30, 2003

PLC Reg. No. 11314/06/B/86/13

ASSETS	1/01-30/06/2003	1/01/-30/06/2002
	€	€
Formation expenses	6,559,451.40	11,125,207.08
Fixed Assets	805,816,824.22	823,273,708.62
Less: Depreciation (up until 30/6/2003)	52,109,212.08	38,440,894.12
Net Book Value	753,707,612.14	784,832,814.50
Investments & other Long-term Assets	78,890,604.61	147,817,137.73
Inventory	5,056,889.50	4,909,948.93
Trade Debtors	15,027,701.49	14,909,981.94
Other Debtors	28,628,658.94	22,402,950.47
Marketable Securities	4,593,970.40	17,491,883.69
Cash & Cash equivalents	2,444,839.78	2,264,721.95
Temporary assets	2,444,060.36	3,296,024.12
TOTAL ASSETS	**897,353,788.62**	**1,009,050,670.41**
DEBIT MEMO ACCOUNTS	**767,431,356.19**	**727,696,909.51**

LIABILITIES & SHAREHOLDERS EQUITY	1/01-30/06/2003	1/01-30/06/2002
	€	€
Issued and fully paid		
(70,926,000 shares of 2.25 Euro each)	159,583,500.00	159,583,500.00
Share premium account & other reserves	80,643,423.32	207,320,486.56
Retained Losses	(277,474.71)	(13,813,946.94)
Losses for the period (01/01-30/06/2003)	(12,631,304.31)	(14,914,025.99)
Provisions	5,714,457.78	5,053,701.17
Long-term Debt	419,503,658.16	447,024,533.16
Current Liabilities	239,240,054.60	215,084,826.57
Accruals & deferred income	5,577,473.78	3,711,595.88
TOTAL LIABILITIES & SHAREHOLDERS EQUITY	**897,353,788.62**	**1,009,050,670.41**
CREDIT MEMO ACCOUNTS	**767,431,356.19**	**727,696,909.51**

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 to assure bank loans the balance of which at 30.06.2003 amounts to € 551,865,658.16 and **b)** On ships mortgages of € 13,703,000 and USD 6,928,350 to assure bank loans the balance of which at 30.6.2003 amounts € 10,653,627.56 and USD 5,057,740 respectively. **2.** The personnel employed by the Company at 30.06.2003 amount to 1,338 persons. **3.** The Company's pending cases up until the drawing up date of the condensed financial statements were the following: **a)** The fine imposed by the European Commission plus interest of € 4.04 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 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 € 0,34 million and **c)** For the fine imposed by the Antitrust Commission of € 4.50 million for which the Company has filed an appeal against this decision before the Administrative Court of Appeals of Athens, for which the decision is pending. **4.** The distribution of the raised funds from the increase of the share capital, which was resolved by the 2nd repeated Ordinary General Meeting of, its shareholders held on 16.05.1999, was completed until 30.06.2001. From the above increase which was realized from 16.06.1999 until 16.07.1999 were raised funds totaling € 227,091,668.67 and were issued 17,731,500 new registered shares of nominal value € 2.20 each, from which their listing for dealing in the main market of the Athens Stock Exchange began at 28.07.1999. The payment of the increase was certified during the Assembly of the Company's Board Meeting held on 21 July 1999. The expenses of the aforementioned issue amounted to € 7,148,761.20. The full analysis and the relevant certification from the Company's Certified Public Accountant – Auditor, was issued, according to the resolution 58/28.12.2000 of the Board of Directors of the Athens Stock Exchange with the interim Financial Statements of the b' trimester 2001, in the newspaper "IMERISSIA" with the No. 16152 page at 31.08.2001. **5.** The basic accounting principles of 31.12.2002 have been adopted. **6.** The Company has been controlled by the tax authorities up until and including the year.

PROFIT & LOSS ACCOUNT FOR THE PERIOD (JANUARY 1 - JUNE 30, 2003)

TURNOVER	1/01-30/06/2003	1/01/-30/06/2002
	€	€
Turnover (Sales)	77,765,925.94	71,742,380.23
Less: Cost of Sales	57,795,997.03	57,169,541.76
Plus: Other operating income	101,391.55	87,548.10
Gross Operating Results (Profits)	20,071,320.46	14,660,386.57
Less: Administrative expenses	6,208,293.66	6,091,317.25
Sales expenses	7,718,642.13	6,816,319.12
Research & Development expenses	2,784,607.72	595,353.45
Subtotal	3,359,776.95	1,157,396.75
Less: Financial expenses	15,929,730.08	15,044,859.41
Total Operating Results	(12,569,953.13)	(13,887,462.66)
Plus: Extraordinary Income - Profits	875,938.19	5,145,849.15
Less: Extraordinary Expenses - Losses	937,289.37	6,172,412.48
Operating & extraordinary results	(12,631,304.31)	(14,914,025.99)
Less: Total depreciation of fixed assets	9,709,110.65	9,087,245.96
Less: Depreciation included in operating cost	9,709,110.65	9,087,245.96
NET RESULTS BEFORE TAXES	**(12,631,304.31)**	**(14,914,025.99)**

Heraklion, August 20, 2003

THE CHAIRMAN OF THE BOARD	THE VICE-CHAIRMAN OF THE BOARD
KOSTAS KLIRONOMOS ID C.No K 980430	EMMANUIL KOULENDAKIS ID C.No F 251786
THE GENERAL MANAGER	THE CHIEF ACCOUNTANT
PANAGIOTIS KASSAPAKIS ID C.No P 831611	DIMITRA BATSI ID C.No P 487723

AUDITOR'S REPORT

To the Board of Directors of "MINOAN LINES" SHIPPING S.A.

We have audited the above financial statements in accordance with the requirements of art. 6 of P.D. 360/1985, as modified by art. 90 of L.2533/1997, and also in conformity with the standards of auditing followed by the Institute of Certified Auditors-Accountants in Greece and such other auditing procedures as we considered necessary in the circumstances, in order to verify that the above Financial Statements of "MINOAN LINES" SHIPPING S.A. covering the period from 1.1.2003 till 30.06.2003 do not contain omissions or inaccuracies which, may materially alter the view of the Company's assets, liabilities and financial position. Within the scope of our examination we also obtained a full accounting report from the Company's branch operations. 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 to that of the previous period. It is noted that: **1.** In the liabilities the results (loss) brought forward are shown at 30.06.2003 reduced by approximately € 129.79 million, with an equal in amount reduction of the reserves and the other accounts of shareholders' equity, following a resolution of the annual ordinary General Meeting of Shareholders held on 29.06.2003, by which was approved the amendment of the article 5 of the company's Articles of Association "concerning share capital". It is noted that this resolution was approved by the Ministry of Development on 29.07.2003 (decision K2-9584/28.7.2003). **2.** The accumulated provision for staff retirement benefits of approx. € 1.49 million falls short of the provided by law amount by approx. € 0.22 million **3.** Up until the drawing up date of the above interim 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, in the year 1998, fine plus interest amounting to approx. € 4.04 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 where the company was proven right in first instance for all o these cases while was judged without appeal (second hearing) for cases concerning V.A.T. totaling approx. € 0.34 million. The accumulated in prior years provision for this case amounts to approx. € 0.32 million, and **c)** by decision of the Competition Committee was imposed a fine of € 4.50 million. Against the above decision a recourse has been brought before the Athens Administrative Court of Appeal the sentence of which, is still pending. In respect of this case the company has not set up a relative provision chargeable to the results. In our opinion, after taking into consideration our foregoing notes and the Company's notes under the balance sheet, the above Financial Statements, which are in agreement with the books and records of the Company, together with the Notes on the Accounts, give a true and fair view of the Company's assets, liabilities and financial position as at June 30, 2003 and of the results of its operations for the period ended on that date, in conformity with legal requirements and generally accepted accounting principles applied on a basis consistent with that of the preceding period.

Athens, August 22, 2003
The Certified Public Accountant Auditor
STEFANOS P. SARAKOSTIDES
SOEL Reg. No. 14621
SOL, S.A. - Certified Auditors