MINOAN LINES SHIPPING S.A.
7th CONSOLIDATED BALANCE SHEET AS AT 31st
PUBLIC LIMITED COMPANIES

ASSETS	Current Financial Year 2004			Previous Financial Year 2003		
			€			€
	Book Value	Depreciation	Net Book Value	Book Value	Depreciation	Net Book Value
B. FORMATION EXPENSES						
1. Start - up costs	42,167.30	42,167.30	0.00	43,236.36	35,380.53	7,855.83
2. Exchange rate adjustments on loans for acquisitions	2,444,533.50	611,133.38	1,833,400.12	3,202,394.72	757,861.22	2,444,533.50
3. Construction Period Interest cost	4,482,304.08	3,635,288.40	847,015.68	7,330,689.04	5,587,212.59	1,743,476.45
4. Other formation expenses	5,375,198.33	2,285,842.58	3,089,355.75	13,230,262.98	12,061,559.16	1,168,703.82
	12,344,203.21	6,574,431.66	5,769,771.55	23,806,583.10	18,442,013.50	5,364,569.60
C. FIXED ASSETS						
I. Intangible Assets						
1. Research and Development expenses	605,399.19	466,189.84	139,209.35	605,399.19	345,110.00	260,289.19
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	172,457.20	155,638.01	16,819.19	233,396.14	157,709.95	75,686.19
	807,203.42	651,174.87	156,028.55	868,142.36	532,166.97	335,975.39
II. Tangible Assets						
1. Land	4,173,358.84	0.00	4,173,358.84	4,173,358.84	0.00	4,173,358.84
3. Buildings and technical work	5,863,053.65	2,643,968.64	3,219,085.01	5,863,053.65	2,503,047.51	3,360,006.14
5. Transportation means	164,478.68	109,979.05	54,499.63	138,101.66	94,007.42	44,094.24
5a. Vessels	741,727,496.35	67,660,440.43	674,067,055.92	792,733,203.75	52,793,011.51	739,940,192.24
6. Furniture and Fixtures	3,608,383.95	3,028,527.61	579,856.34	3,655,031.78	2,862,733.45	792,298.33
	755,536,771.47	73,442,915.73	682,093,855.74	806,562,749.68	58,252,799.89	748,309,949.79
TOTAL FIXED ASSETS (CI + CII)			682,249,884.29			748,645,925.18
III. Investments and other Long - Term Assets						
1a. Holdings in Associated companies			63,237,916.41			73,180,210.60
2. Investments in other companies		25,314.38			25,314.38	0.00
Less: Provisions for devaluation		17,079.98	8,234.40		14,846.61	10,467.77
7. Other Long - Term Assets			32,503.50			28,780.65
			63,278,654.31			73,219,459.02
TOTAL FIXED ASSETS EMPLOYED (CI + CII + CIII)			745,528,538.60			821,865,384.20
D. CURRENT ASSETS						
I. Inventories						
1. Merchandise			2,538,888.93			2,472,054.24
4. Consumables - Spare Parts			1,184,560.99			1,405,240.69
			3,723,449.92			3,877,294.93
II. Debtors						
1. Trade Debtors			6,101,333.73			10,425,440.68
2. Bills receivable			7,117.50			99,729.69
3a. Items for collection						
- In portfolio		1,896,515.95			1,027,416.88	
- In Banks		26,707,980.60	28,604,496.55		18,348,618.32	19,376,035.20
6. Short - Term Receivables from associated companies			449,859.03			449,859.03
10. Doubtful trade debtors and receivables		1,704,449.29			1,488,348.55	
Less: Provisions for doubtful accounts		75,413.88	1,629,035.41		75,413.88	1,412,934.67
11. Other Debtors			1,205,188.23			2,864,956.28
12. Advances and prepayments			0.00			1,970.85
			37,997,030.45			34,630,926.40
III. Marketable Securities						
1. Shares	30,964,037.95			23,810,529.88		
3. Other Securities	263,617.04	31,227,654.99		0.00	23,810,529.88	
Less: Provisions for devaluation		17,360,235.13	13,867,419.86		18,569,940.09	5,240,589.79
IV. Cash						
1. Cash in hand			164,156.16			230,937.87
3. Sight and time Deposits			972,606.89			2,739,339.81
			1,136,763.05			2,970,277.68
TOTAL CURRENT ASSETS (DI + DII + DIII + DIV)			56,724,663.28			46,719,088.80
E. TEMPORARY ASSETS						
1. Deferred Expenses			3,528,513.49			3,296,522.04
2. Accrued income			13,153.23			36,928.25
3. Other asset suspense accounts			29,581.20			16,244.95
			3,571,247.92			3,349,695.24
TOTAL ASSETS (B + C + D + E)			811,594,221.35			877,298,737.84
DEBIT MEMO ACCOUNTS						
2. Guarantees and collateral securities			662,337,107.72			770,349,562.56
			662,337,107.72			770,349,562.56

- GROUP OF COMPANIES
DECEMBER 2004 (I JANUARY - 31 DECEMBER 2004)
REGISTRATION No.11314/06/B/86/13

LIABILITIES & SHAREHOLDERS EQUITY		Current Financial Year 2004 €		Previous Financial Year 2003 €
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		26,942,576.38
		26,942,576.38		26,942,576.38
III. Revaluation Reserves and Investments Grants				
1. Revaluation of investments		2,668.80		2,668.80
3. Government Grants for Fixed Assets	6,588,798.01		6,588,798.01	
Less: Depreciation of subsidies for purchase of fixed assets	1,007,371.29	5,581,426.72	820,051.20	5,768,746.81
		5,584,095.52		5,771,415.61
IV. Reserves				
1. Ordinary reserves	9,704,683.49		9,229,762.89	
Less: Loss from sale or value decline of participating interests and securities for offsetting	(18,149,692.67)	(8,445,009.18)	(20,602,784.12)	(11,373,021.23)
4. Extraordinary reserves		56,978,689.06		56,978,689.06
5. Tax - Free reserves under special law		2,560,099.67		2,559,069.10
		51,093,779.55		48,164,736.93
V. Results carried forward				
1. Retained Profits		1,939,283.25		671,105.51
		1,939,283.25,		671,105.51
VIII. Consolidation Differences		(4,547,470.25)		(4,547,470.25)
TOTAL SHAREHOLDERS EQUITY (AI + AII + AIII + AIV + AV+AVIII)		240,595,764.45		236,585,864.18
IX. Minority Interests		60,169.15		70,219.64
Total Shareholders Equity (AI + AII + AIII + AIV + AV+ AVIII + AIX)		240,655,933.60		236,656,083.82
B. PROVISIONS FOR LIABILITIES AND EXPENSES				
1. Severance pay indemnities due to retirement		2,070,745.94		1,822,958.29
2. Other provisions		3,166,739.30		2,927,438.52
		5,237,485.24		4,750,396.81
C. LIABILITIES				
I. Long - Term debt				
2. Bank Loans		476,076,736.87		556,422,127.69
		476,076,736.87		556,422,127.69
II. Short - Term Liabilities				
1. Suppliers		15,333,181.58		13,424,124.76
2a. Post - dated cheques		3,319,708.13		3,994,023.13
3. Banks - short-term liabilities		22,868,406.02		15,222,170.35
4. Customers advances		437,174.21		690,331.84
5. Taxes and duties payable		1,978,399.42		1,684,657.29
6. Social Security Contributions		1,019,385.32		492,230.69
7. Current portion of long - term debt		28,500,000.00		30,250,000.00
9. Liabilities to other affiliates		229,969.45		111,664.74
10. Dividends payable		7,503,113.68		2,251,300.49
11. Sundry Creditors		4,830,015.77		7,195,223.31
		86,019,353.58		75,315,726.60
Total Liabilities (CI + CII)		562,096,090.45		631,737,854.29
D. ACCRUALS AND DEFERRED INCOME				
1. Accrued income		545,274.64		653,242.64
2. Accrued expenses		3,059,437.42		3,500,780.27
3. Other liabilities suspense accounts		0.00		380.01
		3,604,712.06		4,154,402.92
TOTAL LIABILITIES (A + B + C +D)		811,594,221.35		877,298,737.84
CREDIT MEMO ACCOUNTS				
2. Beneficiaries of guarantees and collateral securities		662,337,107.72		770,349,562.56
		662,337,107.72		770,349,562.56

NOTES: 1. In the above-consolidated financial statements 1.01-31.12.2004 are included, apart from the parent company, the subsidiary companies MINOAN CRUISES-SHIPPING S.A., EUROPEAN THALASSIC AGENCIES SHIPPING
the net worth method are the associated undertakings HELLAS FLYING DOLPHINS SHIPPING S.A. and MEDITERRANEAN FERRIES S.R.L. (under liquidation). **2.** On the fixed assets of the companies of the Group and the ships of
are mortgages of € 17,154,748.66 to assure liabilities the balance of which at 31.12.2004 amounts to € 501,898,821.40 and USD 3,647,588.66. **3.** The personnel employed by the companies of the Group at 31.12.2004 amount
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 all of the aforementioned cases, the Court of the First
has filed an appeal against this decision before the Administrative Court of Appeals of Athens. In respect of the above appeal, it has been issued by the Administrative Court of Appeals the decision no. 3734/2003 which imposes
with the amounts of USD 559,377 and € 210,162.44 for which guarantee letters of respective amounts have been issued in favor of NAT, is related to the outcome of the legal actions which NAT and the subsidiary company has
value of certain freehold property of the group occured in 31.12.2003 according to the provisions of article 28 of L. 3091/2002 and therefore no surplus occurred according to the provisions of L. 2065/1992. **7.** The consolidated
on board € 10,678,084.78, 521.4 Sales from shops on board € 10,443,681.78, 554.1 Bars € 6,436,108.49, 927.1 Games € 1,946,959.25, 634.0 Other revenues € 568.700.79, 702.0 Rent income € 79,629.00.

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST DECEMBER 2004

At December 31, 2004 (1 January - 31 December 2004)

	Current Financial Year 2004 €		Previous Financial Year 2003 €	
I. OPERATING RESULTS				
Turnover (Sales)		192,170,131.97		194,291,855.61
Less: Cost of sales		122,274,152.78		127,871,262.88
Gross operating results		69,895,979.19		66,420,592.73
Plus: 1. Other operating income		538,553.46		213,219.04
Total		70,434,532.65		66,633,811.77
Less: 1. Administration expenses	11,561,777.82		12,289,608.04	
3. Sales expenses	18,221,817.80		18,377,139.39	
4. Uncosted Production Costs (under - utilization / vessel lay - up)	0.00	29,783,595.62	2,810,958.72	33,477,706.15
Operating results (profit)		40,650,937.03		33,156,105.62
Plus:				
1. Income from participation	48,342.65		124,339.72	
1a. Revenues from affiliates	0.00		2,264,770.75	
2. Revenues from marketable securities	52,868.40		11,778.00	
3. Profits,from sales of participations and marketable securities	455,690.42		0.00	
4. Interest income and related income	224,257.02	781,158.49	120,481.05	2,521,369.52
Less:				
1. Valuation differences from equity participations & Securities	776,228.17		23,104.34	
1a. Losses from affiliates	2,182,803.53		0.00	
2. Expenses and losses from participations and marketable securities	5,538.15		30,562.42	
3. Debit interest and similar charges	27,219,354.32	30,183,924.17	31,013,451.70	31,067,118.46
Total operating results (profits)		11,248,171.35		4,610,356.68
II. Plus: Non operating items				
1. Extraordinary & non - operating revenues	1,085,958.58		2,100,032.57	
2. Extraordinary revenues	0.00		3,615.24	
3. Revenues from previous years' provisions	627,615.80		284,229.08	
4. Income from previous years' provisions	2,030,362.48	3,743,936.86	990,798.24	3,378,675.13
Less:				
1. Extraordinary & non - operating expenses	1,449,993.51		2,286,017.76	
2. Extraordinary losses	591,943.44		18,672.77	
3. Prior years' losses	3,087,613.14	5,129,550.09	1,214,908.76	3,519,599.29
Operating and extraordinary results (profits)		9,862,558.12		4,469,432.52
Less:				
1. Total depreciation of Fixed Assets and Start - Up expenses	19,595,838.01		17,457,651.66	
Less: Depreciation included in operating results	19,595,838.01	0.00	17,457,651.66	0.00
NET RESULTS (PROFIT) FOR THE YEAR BEFORE TAXES		9,862,558.12		4,469,432.52
Less: Income taxes		138,147.59		129,145.17
Other taxes not included in operating cost		186,761.98		48,586.03
NET RESULTS (PROFIT) FOR THE YEAR AFTER TAXES		9,537,648.55		4,291,701.32
LESS: Minority interest		(8,680.72)		(10,216.99)
NET CONSOLIDATED RESULTS (PROFIT) FOR THE GROUP		9,546,329.27		4,301,918.31

MANAGEMENT & CONSULTANTS S.A. (under liquidation), MINOAN AGENCIES 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 parent company there are the following mortgages: a) On the ships there are first preferred mortgages of € 449,961,783 and second preferred mortgages of € 150,000,000 and USD 8,000,000 and b) on the buildings there to 981 persons. **4.** Up until the drawing up date of the consolidated financial statements the pending cases for the parent company were the following: a) The fine imposed by the European Commission plus interest of € 4.31 Instance proved the Company right, and as regards to VAT and income tax cases totalling € 1.18 million the judgment is definitive and c) For the fine imposed by the Antitrust Commission of € 4.50 million for which the Company the Greek State to provide further information in concern. In respect of this case the company has not set up a relative provision chargeable to the results. **5.** The charge or not of the results for the year of a subsidiary company already proceeded to. In respect of this case the subsidiary company has not set up a relative provision chargeable to the results believing that the courts will prove the company right. **6.** The last adjustment in the net carrying turnover of the financial statements 1.1.2004-31.12.2004 belong to the following categories of financial activity of STACOD 2003: 611.0 Revenues from Sea and coastal transportation €162,016,967.88, 533.1 Sales from restaurants

Heraklion, February, 22 2005

THE CHAIRMAN OF THE BOARD	THE CHIEF EXECUTIVE OFFICER	THE FINANCE MANAGER	THE CHIEF ACCOUNTANT
KONSTANTINOS KLIRONOMOS ID C No K 980430	ANTONIOS MANIADAKIS ID C No X 850531	GEORGE VASSILOKONSTANDAKIS ID C No Ξ 945118	DIMITRA BATSI A 0023944

Independent Auditors' Report
To the shareholders of MINOAN LINES SHIPPING S.A. and its subsidiaries

We have audited, in accordance with article 108 of Codified Law 2190/1920 relating to Anonymes Eteries, the seventh consolidated balance sheet and the consolidated results, and the relevant consolidated notes thereon of MINOAN LINES SHIPPING A.N.E. and its subsidiaries for the year ended 31 December 2004. Our audit was carried out and included the procedures we deemed appropriate under the auditing standards adopted by the Institute of Certified Auditors Accountants and we verified the contents of the consolidated Directors' Report with the related consolidated financial statements. We did not audit the financial statements of the subsidiaries included in the consolidation, which represent 0.84% and 2.84% of the consolidated assets and consolidated turnover, respectively and which have not been audited by other Certified Auditors Accountants. We did not audit the financial statements of these subsidiaries due to their insignificance to the consolidated financial statements as a whole. The affiliate company, which is included in the consolidation under the equity method represents approximately 22.1% of the consolidated pre-tax results, is based on financial information which has not, yet, been audited by Certified Auditors Accountants. Our audit revealed the following: **1.** The parent Company did not make a provision for doubtful debts, of approximately EUR 0.8 million related to prior years. Consequently, the Accounts Receivable and Equity are overstated by the above mentioned amount. **2.** The issues, that are referred to fully and clearly in notes 4 and 5 by the Company, which are disclosed under the Consolidated Balance Sheet, of which their outcome can not be determined. **3.** The Company has not been audited by the tax authorities for the years 1997 to 2004. The subsidiaries included in the consolidation have not been audited by the tax authorities from their establishment date, except for the company Athena ABEE and the related company Hellas Flying Dolphins ANE, which have not been audited for the years 2000 to 2004. Consequently, tax obligations for these years have not yet been finalized. In our opinion, after taking into consideration the matters described in the preceding paragraphs, the consolidated financial statements referred to above, have been prepared in accordance with the regulations of Codified Law 2190/1920 and present fairly, in accordance with the related regulations and accounting principles which are applied by the parent company and have been generally accepted in Greece and which have been applied on a consistent basis, the financial position and the results of the companies included in the consolidation for the year ended 31 December 2004.

Athens, February 24 2005
KPMG Kyriacou Certified Auditors A.E.
Marios T. Kyriacou, Certified Auditor Accountant
AM SOEL 11121