# MINOAN LINES SHIPPING S.A.

## CONDENSED FINANCIAL STATEMENTS OF THE FIRST QUARTER ENDED MARCH 31, 2003

| ASSETS | 1/01-31/03/2003 | 1/01/-31/03/2002 | LIABILITIES & SHAREHOLDERS EQUITY | 1/01-31/03/2003 | 1/01/-31/03/2002 |
|---|---|---|---|---|---|
| | Euro | Euro | | Euro | Euro |
| | | | Issued and fully paid | 159.583.500,00 | 156.110.051,36 |
| Formation expenses | 7.649.752,88 | 12.077.489,54 | (70,926,000 shares of 2.25 Euro each) | | |
| Fixed Assets | 805.444.262,57 | 754.812.879,78 | Share premium account & other reserves | 210.484.380,38 | 212.994.335,29 |
| Less: Depreciation (up until 31/3/2003) | 48.175.491,94 | 50.154.449,28 | Retained Losses | (40.035.508,12 ) | (13.813.946,94 ) |
| Net Book Value | 757.268.770,63 | 704.658.430,50 | Losses for the period (01/01-31/03/2003) | (10.091.117,71 ) | (11.847.150,70 ) |
| Investments & other Long-term Assets | 133.379.279,64 | 147.300.587,20 | Provisions | 4.947.724,86 | 4.748.642,70 |
| Inventory | 4.532.018,85 | 4.385.448,29 | Long-term Debt | 443.935.408,16 | 391.346.572,45 |
| Trade Debtors | 12.167.407,46 | 14.219.859,81 | Current Liabilities | 211.413.290,08 | 187.765.774,71 |
| Other Debtors | 53.701.285,57 | 24.497.978,46 | Accruals & deferred income | 9.035.253,92 | 6.771.437,57 |
| Marketable Securities | 14.894.946,29 | 21.974.060,60 | | | |
| Cash & Cash equivalents | 1.863.462,63 | 1.881.786,82 | | | |
| Temporary assets | 3.816.007,62 | 3.080.075,22 | | | |
| **TOTAL ASSETS** | **989.272.931,57** | **934.075.716,44** | **TOTAL LIABILITIES & SHAREHOLDERS EQUITY** | **989.272.931,57** | **934.075.716,44** |
| **DEBIT MEMO ACCOUNTS** | 770.930.633,54 | 660.779.419,47 | **CREDIT MEMO ACCOUNTS** | 770.930.633,54 | 660.779.419,47 |

### PROFIT & LOSS ACCOUNT FOR THE PERIOD (JANUARY 1 - MARCH 31, 2003)

| | 1/01-31/03/2003 | 1/01/-31/03/2002 |
|---|---|---|
| **TURNOVER** | Euro | Euro |
| Turnover (Sales) | 31.058.673,35 | 28.532.000,02 |
| Less: Cost of Sales | 27.417.797,79 | 25.236.034,48 |
| Plus: Other operating income | 50.680,62 | 56.482,83 |
| Gross Operating Results (Profits) | 3.691.556,18 | 3.352.448,37 |
| Less: Administrative expenses | 2.835.791,95 | 2.791.224,68 |
| Sales expenses | 2.416.177,27 | 2.474.524,25 |
| Research & Development expenses | 516.068,44 | 336.167,04 |
| Subtotal | (2.076.481,48 ) | (2.249.467,60 ) |
| Less: Financial expenses | 8.171.728,55 | 6.957.349,48 |
| Total Operating Results | (10.248.210,03 ) | (9.206.817,08 ) |
| Plus: Extraordinary Income - Profits | 651.116,03 | 776.944,05 |
| Less: Extraordinary Expenses - Losses | 494.023,71 | 3.417.277,67 |
| Operating & extraordinary results | (10.091.117,71 ) | (11.847.150,70 ) |
| Less: Total depreciation of fixed assets | 4.851.458,68 | 4.400.398,85 |
| Less: Depreciation included in operating cost | 4.851.458,68 | 4.400.398,85 |
| **NET RESULTS BEFORE TAXES** | **(10.091.117,71 )** | **(11.847.150,70 )** |

**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 31.03.2003 amounts to €565.020.406,82 και b) On ships mortgages of €13,703,000 and USD 6,928,350 to assure bank loans the balance of which at 31.3.2003 amounts €10.255.489,16 and USD 5,057,740 respectively.

**2.** The personnel employed by the Company at 31.03.2003 amount to 1,126 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 € 3.99 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 € 1.31 million. c) For disputes with the other shipping companies of Crete, 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 of € 4.5 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 vessel "ARIADNE PALACE I" was sold in March 2003.

**6.** The basic accounting principles of 31.12.2002 have been adopted.

**7.** The Company has been controlled by the tax authorities up until and including the year 1996.

ANALYSIS OF COMPANY SALES 1.1.2003 – 31.03.2003 UNDER STACOD-2003

| CODE | DESCRIPTION | Euro |
|---|---|---|
| 611.0 | FARES | 27.144.195,93 |
| 521.4 | ON-BOARD SHOPS | 1.380.895,10 |
| 553.1 | RESTAURANTS | 1.299.476,46 |
| 554.1 | BARS | 852.036,67 |
| 927.1 | OTHER | 382.069,19 |
| | TOTAL | 31.058.673,35 |

**Heraklion, May 27, 2003**

| | |
|---|---|
| **THE CHAIRMAN OF THE BOARD** | **THE VICE-CHAIRMAN** |
| **KOSTANTINOS KLIRONOMOS** | **EMMANUIL KOULENTAKIS** |
| **THE GENERAL MANAGER** | **THE CHIEF ACCOUNTANT** |
| **PANAGIOTIS KASSAPAKIS** | **DIMITRA BATSI** |