

MINOAN LINES

FINANCIAL RESULTS OF THE FIRST QUARTER 2013

- Positive operating results EBITDA (Improvement of Euro 7.0 mln)
- Net loss decreased by Euro 7.5 mln
- Current on its bond loan agreement payment obligations

Financial Results

The company's revenue for the first three month period of 2013 stood at Euro 30.3 million compared to Euro 31.6 million in the corresponding period of 2012, while the operating profit (EBITDA) was shaped at Euro 184.0 thousand in comparison to losses of Euro -6.8 million in 2012, presenting an improvement of Euro 7.0 million. The net results of Minoan Lines for the first quarter of the year amounted to Euro -5.8 million against losses of Euro -13.3 million in 2012, recording a significant decrease in losses of Euro 7.5 million.

The Company, in order to cope with the ongoing financial crisis has implemented in recent years a series of measures trying to reduce its total expenditure. Specifically, apart from reducing the various items of operating expenses, it has adopted policies to reduce fuel cost, which in recent years is recorded to be more than 55% of the Company's total cost of sales. During the completion of the last fiscal year, the Company proceeded to the upgrade of the propellers system on both vessels operating on the domestic route of "Heraklion-Piraeus", as well as the silicon painting on the vessels' hull.

At the same time, the Company trying to increase the utilization rates of its vessels while further reducing the fuel cost, advanced to the reshuffling of its itineraries. The above measures, helped not only on the fuel expenditure restrain but also to the noteworthy improvement of the first quarter's financial results. Therefore, early results show that the abovementioned actions seem effective, while the Company is moving on the right track.

Moreover, Minoan Lines retains its consistency on the repayment schedule of its bond loan obligations.





Finally, it is noted that the ferry shipping sector is largely affected by seasonality with the first quarter being traditionally the least productive in terms of passenger traffic recorded. Moreover, the aggravation of the financial crisis led to a vast reduction of the citizens' disposable income, being another negative factor affecting traffic volumes and revenue.

Traffic Volumes

Adriatic Market (North Italy)

Patras-Igoumenitsa-Ancona-Trieste Route

At the beginning of December 2012, Minoan Lines launched an additional call at the port of Trieste, on the existing Patras-Igoumenitsa-Ancona route. The up to date traffic results show promising. Despite the economic downturns, during the first three month period of 2013, in the Patras-Igoumenitsa-Ancona-Trieste route, Minoan Lines carried 39,445 passengers, 8,897 private cars and 18,714 freight units.

Domestic Market

On the route "Heraklion-Piraeus", Minoan Lines retained its leading position during the three month period of 2013 while it improved significantly its market share in the trucks category compared to the respective period of 2012.

In total, the Company carried 129,102 passengers, 12,443 private cars and 13,197 freight units.