



MINOAN LINES SHIPPING S.A.

Interim Condensed Financial Statements **(January 1st - September 30th 2010)**

Minoan Lines Shipping Societe Anonyme
Company's Nr 11314/06/B/86/13
in the register of the Societes Anonymes
17, 25th August Str. – 71 202
Heraklion-Crete-Greece

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Review on the Financial Results for the third quarter of 2010

Financial Results

Within this unfavorable economic environment, Minoan Lines, having followed over the past years a bank loan reduction approach as well as a reduction of operating expenses, has substantially strengthened its overall financial position. All this has allowed the company to surpass any difficulties arising from the unprecedented and negative economic crisis in Greece.

For the 9-month period of 2010 the revenue stood at € 136.2 million while the operating results (EBITDA) were shaped at € -4.7 million. Minoan Lines net results after taxes in the 9-month period of 2010 stood at € -21.1 million. In the net results the amount of € 1.1 million is included which is a one-off special tax contribution.

It should be noted that financial results for the 9-month period of 2010 were significantly affected by both the high fuel cost (40.0% in comparison with the respective period of 2009) and the intensive competition.

The Group's turnover was shaped at € 136.4 million and the operating profits (EBITDA) and net results stood at the same level with that of the parent company.

Traffic

- **North Adriatic Routes**

In the North Adriatic market (International routes / Ancona & Venice) Minoan Lines, having as a guiding principle the achievement of the most efficient economic operation of its fleet, succeeded in the 9-month period of 2010 higher market shares in all traffic categories in comparison with the respective share of trips. More specifically, the market shares stood at 40.1%, 37.9% and 39.6% for passengers, private cars and trucks respectively with Minoan Lines accomplishing the 36.6% of trips in the North Adriatic market. Moreover, during the 9-month period of 2010, Minoan lines carried 513,000 passengers, 123,000 cars and 63,000 trucks.

- **Domestic Market**

During the 9-month period of 2010 on the "Heraklion – Piraeus" route, the Company managed to maintain its leading position in the market succeeding higher market shares in all traffic categories in comparison with the respective share of trips. More precisely, with the Company having realized the 40.4% of trips, the market shares reached 55.0% for passengers, 46.2 % for private cars and 41.3% for trucks. Moreover, the Company in the 9-month period of 2010 carried 725,000 passengers, 92,000 cars and 45,000 trucks.

On the Ionian route (Patras – Corfu) the Company in the 9-month period of 2010 carried 29,000 passengers, 5,000 cars and 2,000 trucks.



Deployment of new vessels

On October 15, 2009 the new building vessel Cruise Europa was deployed on the route Patra – Igoumenitsa – Ancona while last July 2010 the sister vessel Cruise Olympia was deployed on the same route. With carrying capacity of 3,000 passengers and a 3,000 linear meters garage (each vessel can carry 180 international transport trucks and 250 cars or alternatively 1,000 private cars approximately) both Cruise Europa and Cruise Olympia are signaling a new era in the sea connection between Greece and Italy. It should be noted that during the period of their deployment the said vessels have already created a significant commercial dynamic increasing substantially Minoan Lines' traffic volumes on the route.



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TRANSLATION

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders of “MINOAN LINES SHIPPING S.A.”

Introduction

We have reviewed the accompanying condensed company and consolidated statement of financial position of “MINOAN LINES SHIPPING S.A.” (the “Company”) and its subsidiaries as of September 30, 2010, and the related condensed company and consolidated income statement and statement of comprehensive income, changes in equity and cash flows for the nine-month period then ended, and selective explanatory notes which comprise the interim condensed financial information. Management is responsible for the preparation and fair presentation of this interim condensed financial information in accordance with International Financial Reporting Standards as adopted by the European Union and applicable to interim financial reporting (“IAS 34”). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Basis for a Qualified Conclusion

Included in the financial statement caption “Trade and Other Receivables” as at September 30, 2010 are non-performing accounts receivable and receivables legally pursued, amounting to approximately Euro 23.6 million and mainly due from shipping agents, that are currently in an early phase of the legal process against which no provision has been established. Currently, adequate evidence is not available in order for us to be able to opine on the extent of the recoverability of the above balances.

Conclusion

Based on our review, except for the effects of the matter described in the above paragraph “Basis for a Qualified Conclusion”, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Athens, November 26, 2010

The Certified Public Accountant

Michalis E. Karavas
Reg. No SOEL: 13371

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Interim Condensed Company and Consolidated
Financial Statements
for the period ended 1/1 – 30/9/2010
In accordance with I.A.S. 34 (interim financial reporting)

The accompanying Interim Condensed Company and Consolidated Financial Statements on pages 7-23 have been approved by the Board of Directors on November 26th 2010 and have been uploaded to the Company's web site www.minoan.gr

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INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	Note	The Group				The Company			
		1/1-30/9/2010	1/7-30/9/2010	1/1-30/9/2009	1/7-30/9/2009	1/1-30/9/2010	1/7-30/9/2010	1/1-30/9/2009	1/7-30/9/2009
Revenue	5	136,358,842.13	65,530,341.65	140,184,349.92	64,545,118.19	136,248,304.45	65,494,522.47	140,062,464.04	64,481,245.67
Cost of Sales	6	-132,860,809.86	-54,556,015.89	-113,045,837.66	-45,856,805.82	-132,830,151.56	-54,539,561.79	-113,000,079.96	-45,828,400.29
Gross Profit		3,498,032.27	10,974,325.76	27,138,512.26	18,688,312.37	3,418,152.89	10,954,960.68	27,062,384.08	18,652,845.38
Other Operating Income	7	757,871.29	45,844.32	2,394,689.14	79,089.68	791,158.44	57,485.34	2,443,591.39	96,640.49
Distribution expenses		-13,964,706.13	-6,186,806.23	-17,083,422.41	-7,128,851.70	-13,963,391.71	-6,186,671.88	-17,081,853.95	-7,127,373.12
Administrative expenses		-5,802,940.65	-1,848,302.82	-6,178,345.66	-2,054,198.62	-5,742,854.38	-1,808,893.05	-6,117,526.20	-2,045,970.40
Other Operating expenses		-69,733.16	-2,383.29	-385,240.07	-3,997.31	-22,035.78	-2,383.29	-385,240.07	-3,997.31
(Losses) / Profits before taxes, financing and investing costs		-15,581,476.38	2,982,677.74	5,886,193.26	9,580,354.42	-15,518,970.54	3,014,497.80	5,921,355.25	9,572,145.04
Financial income		1,805,954.84	425,716.79	51,997,378.56	51,632,168.37	1,803,237.65	425,189.24	59,400,524.88	58,260,775.58
Financial expenses		-6,162,291.06	-2,614,398.48	-8,817,981.71	-1,971,954.35	-6,293,881.07	-2,752,256.09	-8,808,537.36	-1,969,083.25
Net financial results		-4,356,336.22	-2,188,681.69	43,179,396.85	49,660,214.02	-4,490,643.42	-2,327,066.85	50,591,987.52	56,291,692.33
Share of Profit/(Loss) from associates		-	-	-2,497,366.05	-	-	-	-	-
(Losses) / Profits before tax		-19,937,812.60	793,996.05	46,568,224.06	59,240,568.44	-20,009,613.96	687,430.95	56,513,342.77	65,863,837.37
Income tax expense	8	-1,144,461.84	4,124.39	-22,467.55	-5,341.23	-1,134,944.00	-	-	-
(Losses) / Profits for the period after tax		-21,082,274.44	798,120.44	46,545,756.51	59,235,227.21	-21,144,557.96	687,430.95	56,513,342.77	65,863,837.37
Other comprehensive income									
Other income		-	-	2,675.43	2,675.43	-	-	-	-
Total comprehensive income after tax for the period		-21,082,274.44	798,120.44	46,548,431.94	59,237,902.64	-21,144,557.96	687,430.95	56,513,342.77	65,863,837.37
The (Losses) / Profits of the period are attributable to :									
Owners of the parent		-21,070,548.12	798,742.84	46,548,986.27	59,235,884.33	-21,144,557.96	687,430.95	56,513,342.77	65,863,837.37
Non Controlling Interest		-11,726.32	-622.40	-3,229.76	-657.12	-	-	-	-
(Losses) / Profits of the period		-21,082,274.44	798,120.44	46,545,756.51	59,235,227.21	-21,144,557.96	687,430.95	56,513,342.77	65,863,837.37
The total comprehensive income of the period is attributable to :									
Owners of the parent		-21,070,548.12	798,742.84	46,551,661.70	59,238,559.76	-21,144,557.96	687,430.95	56,513,342.77	65,863,837.37
Non Controlling Interest		-11,726.32	-622.40	-3,229.76	-657.12	-	-	-	-
Total comprehensive income of the period after taxes		-21,082,274.44	798,120.44	46,548,431.94	59,237,902.64	-21,144,557.96	687,430.95	56,513,342.77	65,863,837.37
Basic and Diluted earnings/(losses) per Share after Tax		-0.2971	0.0113	0.6563	0.8352	-0.2981	0.0097	0.7968	0.9286

The accompanying notes on pages 12 - 23 are an integral part of the Interim Condensed Financial Statements

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

	Note	The Group		The Company	
		30/9/2010	31/12/2009	30/9/2010	31/12/2009
Assets					
Non – current assets					
Property, plant and equipment	9	434,603,323.49	445,342,066.73	434,603,154.05	445,341,826.64
Investment property	10	1,473,543.03	1,504,443.07	1,473,543.03	1,504,443.07
Investments in subsidiaries	11	-	-	3,683,028.19	3,683,028.19
Other investments	12	77,500,000.00	77,500,000.00	77,500,000.00	77,500,000.00
Other long term assets		35,481.48	35,712.00	35,481.48	35,712.00
Total non – current assets		513,612,348.00	524,382,221.80	517,295,206.75	528,065,009.90
Current assets					
Inventories		7,068,044.09	6,113,772.18	7,068,044.09	6,113,772.18
Trade and other receivables	13	71,278,234.91	60,716,446.20	71,268,855.13	60,709,263.01
Available for sale securities		82,545.30	132,546.03	82,545.30	132,546.03
Other current assets	13	10,392,096.86	5,389,004.89	10,377,856.06	5,372,101.00
Cash and cash equivalents		3,810,833.90	47,475,852.31	3,521,124.26	46,943,386.98
Non – current assets held for sale	14	5,200,000.05	5,585,311.13	-	385,311.08
Total current assets		97,831,755.11	125,412,932.74	92,318,424.84	119,656,380.28
Total Assets		611,444,103.11	649,795,154.54	609,613,631.59	647,721,390.18
Equity and liabilities					
Equity					
Share capital		159,583,500.00	159,583,500.00	159,583,500.00	159,583,500.00
Share premium		26,942,576.38	26,942,576.38	26,942,576.38	26,942,576.38
Other reserves		59,916,815.73	58,401,903.70	59,916,795.73	58,361,495.73
Retained earnings		43,249,775.65	65,861,918.85	41,451,323.09	64,151,181.05
Total Equity attributable to equity holders of the parent		289,692,667.76	310,789,898.93	287,894,195.20	309,038,753.16
Non Controlling Interest		8,676.56	-6,280.17	-	-
Total Equity		289,701,344.32	310,783,618.76	287,894,195.20	309,038,753.16
Non - current liabilities					
Loans	15	258,891,567.55	-	258,891,567.55	-
Employee defined benefit obligations		2,327,993.77	2,415,529.30	2,327,993.77	2,415,529.30
Deferred government grants		4,465,128.52	4,609,988.88	4,465,128.52	4,609,988.88
Total non-current liabilities		265,684,689.84	7,025,518.18	265,684,689.84	7,025,518.18
Current liabilities					
Short term borrowings	15	7,792,398.07	4,956,992.61	7,792,398.07	4,956,992.61
Current portion of long term loan	15	8,517,370.00	291,311,316.31	8,517,370.00	291,311,316.31
Liabilities related to non-current assets held for sale		-	150,000.00	-	150,000.00
Trade and other payables	16	39,748,300.88	35,567,708.68	39,724,978.48	35,238,809.92
Total current liabilities		56,058,068.95	331,986,017.60	56,034,746.55	331,657,118.84
Total Liabilities		321,742,758.79	339,011,535.78	321,719,436.39	338,682,637.02
Total Equity and Liabilities		611,444,103.11	649,795,154.54	609,613,631.59	647,721,390.18

The accompanying notes on pages 12 - 23 are an integral part of the Interim Condensed Financial Statements

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY

	Share Capital	Share Premium	Other Reserves	Retained Earnings	Total Equity
Balance as at 1/1/2009	159,583,500.00	26,942,576.38	58,361,495.73	21,730,865.82	266,618,437.93
<u>Changes in equity 1/1 – 30/9/2009</u>					
Total comprehensive income after tax for the period 1/1-30/9/2009	-	-	-	56,513,342.77	56,513,342.77
Balance as at 30/9/2009	159,583,500.00	26,942,576.38	58,361,495.73	78,244,208.59	323,131,780.70
Balance as at 1/1/2010	159,583,500.00	26,942,576.38	58,361,495.73	64,151,181.05	309,038,753.16
<u>Changes in equity 1/1 – 30/9/2010</u>					
Total comprehensive income after tax for the period 1/1-30/9/2010	-	-	-	-21,144,557.96	-21,144,557.96
Statutory Reserve	-	-	1,555,300.00	-1,555,300.00	-
Balance as at 30/9/2010	159,583,500.00	26,942,576.38	59,916,795.73	41,451,323.09	287,894,195.20

The accompanying notes on pages 12 - 23 are an integral part of the Interim Condensed Financial Statements

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital	Share Premium	Fair Value Reserves	Other Reserves	Retained Earnings	Total Shareholders Equity	Non Controlling Interest	Total Equity
<u>Changes in equity 1/1 – 30/9/2009</u>								
Balance as at 1/1/2009	159,583,500.00	26,942,576.38	-2,675.43	58,382,529.35	33,461,405.13	278,367,335.43	56,230.00	278,423,565.43
Total comprehensive income after taxes for the period 1/1-30/9/2009	-	-	2,675.43	-	46,548,986.27	46,551,661.70	-3,229.76	46,548,431.94
Non-controlling interest proportion acquisition in Subsidiary	-	-	-	19,354.35	-17,642.10	1,712.25	-1,723.60	-11.35
Balance as at 30/9/2009	159,583,500.00	26,942,576.38	-	58,401,883.70	79,992,749.30	324,920,709.38	51,276.64	324,971,986.02
<u>Changes in equity 1/1 – 30/9/2010</u>								
Balance as at 1/1/2010	159,583,500.00	26,942,576.38	-	58,401,903.70	65,861,918.85	310,789,898.93	-6,280.17	310,783,618.76
Total comprehensive income after taxes for the period 1/1-30/9/2010	-	-	-	-	-21,070,548.12	-21,070,548.12	-11,726.32	-21,082,274.44
Statutory Reserve	-	-	-	1,555,300.00	-1,555,300.00	-	-	-
Subsidiary's Share Capital proportion increase	-	-	-	-	-26,683.05	-26,683.05	26,683.05	-
Reclassification of items	-	-	-	-40,387.97	40,387.97	-	-	-
Balance as at 30/9/2010	159,583,500.00	26,942,576.38	-	59,916,815.73	43,249,775.65	289,692,667.76	8,676.56	289,701,344.32

The accompanying notes on pages 12 - 23 are an integral part of the Interim Condensed Financial Statements

INTERIM CONDENSED STATEMENT OF CASH FLOWS

	The Group		The Company	
	1/1- 30/9/2010	1/1- 30/9/2009	1/1- 30/9/2010	1/1- 30/9/2009
Operating Activities				
(Losses) before tax	-19,937,812.60	46,568,224.06	-20,009,613.96	56,513,342.77
<i>Plus / Less adjustments for:</i>				
Net depreciation and amortization	10,842,171.04	11,414,911.97	10,842,100.39	11,414,798.65
Provisions	221,298.00	2,051,160.05	221,298.00	2,051,160.05
Unrealized Foreign Exchange Differences	1,080.51	-8,328.51	1,080.51	-8,328.51
Share of net results from investments, property, plant and equipment disposal	-519,765.98	-51,083,386.76	-519,765.98	-60,986,892.91
Financial expenses	6,162,291.06	8,817,981.71	6,155,105.07	8,808,537.36
Plus/Less adjustments for changes in working capital or operating activities				
(Increase) in inventories	-954,271.91	-590,385.51	-954,271.91	-590,385.51
(Increase) in trade and other receivables	-28,569,653.58	-2,369,435.68	-28,515,022.95	-2,353,058.41
Increase in liabilities other than borrowings	2,783,873.28	2,426,279.74	3,020,138.89	2,422,033.11
Less :				
Interest and related expenses paid	-6,016,009.17	-8,493,025.26	-6,008,823.18	-8,483,580.91
Income taxes paid	-23,731.46	-28,408.81	-	-
Cash (outflows) / inflows from operating activities (a)	-36,010,530.81	8,705,587.00	-35,767,775.12	8,787,625.69
Investing activities				
Acquisition of subsidiaries, associates and other investments	-	-50,000.73	-	-170,012.08
Purchase of property, plant and equipment	-265,393.54	-2,401,089.17	-265,393.54	-2,401,089.14
Proceeds from property, plant and equipment disposal	807,961.95	96,004,000.00	807,961.95	96,004,000.00
Advances from other investments disposal	13,000,000.00	-	13,000,000.00	-
Dividends received	6,483.00	6,509.00	6,483.00	6,509.00
Cash inflows from investing activities (b)	13,549,051.41	93,559,419.10	13,549,051.41	93,439,407.78
Financing activities				
Proceeds from long / short term borrowings	2,835,405.46	-	2,835,405.46	-
Repayment of long / short term borrowings	-24,000,000.00	-76,757,463.97	-24,000,000.00	-76,757,463.97
Repayment of finance lease liabilities	-38,597.78	-84,369.92	-38,597.78	-84,369.92
Dividends paid	-346.69	-7,868.90	-346.69	-7,868.90
Cash (outflows) from financing activities (c)	-21,203,539.01	-76,849,702.79	-21,203,539.01	-76,849,702.79
Net (Decrease) / Increase in cash and cash equivalents (a) + (b) + (c)	-43,665,018.41	25,415,303.31	-43,422,262.72	25,377,330.68
Cash and cash equivalents at the beginning of the period	47,475,852.31	21,008,991.58	46,943,386.98	20,497,128.64
Cash and cash equivalents at the end of the period	3,810,833.90	46,424,294.89	3,521,124.26	45,874,459.32

The accompanying notes on pages 12 - 23 are an integral part of the Interim Condensed Financial Statements

NOTES TO THE INTERIM CONDENSED COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1/1- 30/9/2010

1. General Company's Information

The Company was established on 25th May 1972 (FEK 939–25/5/1972), with its registered address in the Heraklion-Crete Municipality and its discrete name is "MINOAN LINES S.A.". It operates in the Ferry shipping sector both in Domestic and International sea routes.

The number of the personnel employed for the period ended 30/9/2010 and 30/9/2009 was 575 and 710, respectively.

Minoan Lines' shares are listed on the Athens Stock Exchange (code: MINOA). The corresponding code under Reuters is MILr.AT and under Bloomberg is MINOA GA.

The total number and the weighted average of ordinary shares outstanding on 30/9/2010 was 70,926,000, while the total market capitalization reached € 240,439,140.00. Every share carries one voting right.

The General Shareholders' Meeting elects the Board of Directors which consists of 7-9 members. The current structure of the Board of Directors is comprised by eight (8) members, who were elected by the General Shareholders' Meeting held on June 19th 2009. On September 30th 2010, three (3) members of the board were executive, three (3) were non-executive and two (2) were non-executive-independent members.

The Interim Condensed Financial Statements for the period ended 30/9/2010, which were approved by the board of directors meeting on November 26th 2010, include the Interim Condensed Company and Consolidated Financial Statements (the "Financial Statements").

The Financial Statements include the Company and its subsidiaries (the Group), as well as the interest of the Group in the associates.

The subsidiaries and associates that are included in the Financial Statements and the ownership interests that the parent Company holds directly or indirectly are outlined in the table below :

<u>Name</u>	<u>Consolidation Method</u>	<u>Headquarters</u>	<u>% Interest</u>	
			<u>2010</u>	<u>2009</u>
Kritiki Filoxenia S.A.	Full	Heraklion-Crete	100.00%	100.00%
Athina A.V.E.E.	Full	Heraklion-Crete	100.00%	100.00%
Minoan Italia S.p.a.	Full	Palermo-Italy	100.00%	100.00%
Minoan Escape S.A.	Full	Heraklion-Crete	99.95%	99.95%
Minoan Cruises S.A.	Full	Heraklion-Crete	80.80%	80.28%
Hellenic Seaways S.A. *	Equity	Piraeus	33.35%	33.35%
European Thalassic Agencies shipping management & consultants S.A.**	Full	Panamas	100.00%	100.00%
Mediterranean Ferries S.r.l.**	Equity	Genova-Italy	50.00%	50.00%

* Consolidated until 30/6/2009 (note 12)

** The companies are in liquidation.

2. Basis of preparation of the Financial Statements

2.1 Statement of Compliance

The Financial Statements have been prepared in accordance with International Accounting Standard 34 (I.A.S. 34 «Interim Financial Reporting»).

The Financial Statements do not include all notes and information required and it is recommended they be read in conjunction with the annual Financial Statements for the year ended 2009.

2.2 Use of estimates

The preparation of the Financial Statements in conformity with I.F.R.S. requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Significant estimates and critical judgements in applying accounting policies that have significant effect on the Financial Statements as well as those which involve potential risk for adjustment in the next fiscal year, do not differ than those applied in the Annual Financial Statements as of 31/12/2009.

3. Significant Accounting Policies

The significant accounting policies adopted for the preparation of the Financial Statements on 30/9/2010, are those applied for the preparation of the Annual Financial Statements on 31/12/2009 and have been published in the Company's web site www.minoan.gr.

3.1 New standards, interpretations and amendments of existing standards

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current reporting period and subsequent reporting periods. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial period

- **IFRS 3 (Revised) “Business Combinations” and IAS 27 (Amended) “Consolidated and Separate Financial Statements”.** The revised IFRS 3 introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognized, the reported results in the period that an acquisition occurs, and future reported results. Such changes include the expensing of acquisition-related costs and recognizing subsequent changes in fair value of contingent consideration in the profit or loss. The amended IAS 27 requires that a change in ownership interest of a subsidiary to be accounted for as an equity transaction. The amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Furthermore the acquirer in a business combination has the option of measuring the non-controlling interest, at the acquisition date, either at fair value or at the amount of the percentage of the non-controlling interest over the net assets acquired. The Group has applied the revised and amended standards from 1 January 2010.
- **IAS 32 (Amendment) “Financial Instruments: Presentation”** (effective for annual periods beginning on or after 1 February 2010). This amendment clarifies how certain rights issues should be classified. In particular, based on this amendment, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. This amendment is not expected to impact the Group's financial statements.

- **IAS 39 (Amendment) “Financial Instruments: Recognition and Measurement”**. This amendment clarifies how the principles that determine whether a hedged risk or portion of cash flows is eligible for designation should be applied in particular situations. This amendment is not applicable to the Group as it does not apply hedge accounting in terms of IAS 39. The Group will adopt this amendment in any future use of hedge instrument.

Standards and Interpretations effective from 1 July 2010

- **IFRS 9 “Financial Instruments”**. This amendment which has not yet been adopted by the EU, is effective for annual periods beginning on or after 1 January 2013 and relates to classification and measurement of the financial instruments. According to the revised standard, the the initial recognition of financial instruments are measured either at amortized cost or at fair value. The impact of the amended standard is closely monitored by the Company and the Group.
- **IAS 24 (Amendment) “Related Party Disclosures”**. This amendment which has not yet been endorsed by the EU, is effective for annual periods beginning on or after 1 January 2011 and modifies the definition of related-parties. The impact of the amended standard is closely monitored by the Company and the Group.

Amendments to standards that form part of the IASB’s 2010 annual improvements project

The amendments set out below describe the key changes to IFRSs following the publication in May 2010 of the results of the IASB’s annual improvements project. Unless otherwise stated the following amendments are effective for annual periods beginning on or after 1 January 2011. In addition, unless otherwise stated, the following amendments will not have a material impact on the Group’s financial statements.

- **IFRS 7 “Financial Instruments: Disclosures”**. These amendments include multiple clarifications related to the disclosure of financial instruments.
- **IAS 1 “Presentation of Financial Statements”**. This amendment clarifies that entities may present an analysis of the components of other comprehensive income either in the statement of changes in equity or within the notes.
- **IAS 27 “Consolidated and Separate Financial Statements”**. This amendment clarifies that the consequential amendments to IAS 21, IAS 28 and IAS 31 resulting from the 2008 revisions to IAS 27 are to be applied prospectively.
- **IAS 34 “Interim Financial Reporting”**. This amendment places greater emphasis on the disclosure principles that should be applied with respect to significant events and transactions, including changes to fair value measurements, and the need to update relevant information from the most recent annual report.
- **IFRIC 13 “Customer Loyalty Programmes”**. This amendment clarifies the meaning of the term ‘fair value’ in the context of measuring award credits under customer loyalty programmes.

4. Financial Risk Management

The Company’s policies regarding the financial and capital risk management are those that have been expressively analyzed in the Annual Financial Statements on 31/12/2009.

5. Revenue

	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2010</u>	<u>30/9/2009</u>	<u>30/9/2010</u>	<u>30/9/2009</u>
Revenue from fares	113,250,620.99	113,212,418.34	113,265,876.99	113,235,368.34
Revenue from on board services and sales	20,371,284.53	24,730,374.74	20,371,284.53	24,730,374.74
Other Revenues	2,736,936.61	2,241,556.84	2,611,142.93	2,096,720.96
Totals	136,358,842.13	140,184,349.92	136,248,304.45	140,062,464.04

6. Cost of sales

	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2010</u>	<u>30/9/2009</u>	<u>30/9/2010</u>	<u>30/9/2009</u>
Payroll cost, Bunkers and Lubricants	86,871,955.01	70,703,391.94	86,871,955.01	70,703,391.94
Port expenses, Repairs and Maintenances	11,323,540.27	11,215,893.80	11,323,540.27	11,215,893.80
Food – Beverages – Shops merchandise	8,309,350.88	10,256,045.46	8,309,350.88	10,256,045.46
Chartering cost	11,892,628.38	3,839,000.00	11,892,628.38	3,839,000.00
Other Expenses	4,049,558.08	6,108,486.37	4,018,899.78	6,062,728.67
Depreciation	10,558,637.60	11,067,880.45	10,558,637.60	11,067,880.45
Amortization of government grants	-144,860.36	-144,860.36	-144,860.36	-144,860.36
Totals	132,860,809.86	113,045,837.66	132,830,151.56	113,000,079.96

The cost of sales increase (+19.83 ml Euro) in the current period in relation to the respective period of the previous year, is mainly due to the cost of bunkers.

7. Other operating income

	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2010</u>	<u>30/9/2009</u>	<u>30/9/2010</u>	<u>30/9/2009</u>
Gains from vessel disposal (note 9)	-	2,192,056.72	-	2,192,056.72
Gain from sale of property (note 14)	541,698.92	-	541,698.92	-
Commissions	90,797.90	119,422.67	90,797.90	119,422.67
Income from Government Grants	35,982.08	2,985.65	35,982.08	2,985.65
Income from services to third parties	12,897.16	1,801.41	42,319.49	46,513.03
Rental income	73,230.00	73,208.67	77,094.82	77,399.30
Other Income	3,265.23	5,214.02	3,265.23	5,214.02
Totals	757,871.29	2,394,689.14	791,158.44	2,443,591.39

The reduction in the other operating income amounted to 1.65 ml Euro, is related to the fact that in the respective period of the previous year an amount of € 2.19 ml Euro was included which referred to gains from vessel disposal, while in the current period an amount of 0.54 ml Euro is included which corresponds to gains from sale of property.

8. Income Tax

	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2010</u>	<u>30/9/2009</u>	<u>30/9/2010</u>	<u>30/9/2009</u>
Provision for special tax contribution according to law 3845/2010	1,134,944.00	-	1,134,944.00	-
Income tax provision for the period ended	9,517.84	14,487.55	-	-
Income tax according to law 3697/2008	-	7,980.00	-	-
Totals	1,144,461.84	22,467.55	1,134,944.00	-



9. Property, plant, equipment

The Group							
	<u>Land</u>	<u>Buildings Technical works</u>	<u>Transportation Equipment</u>	<u>Vessels</u>	<u>Furniture and Other Equipment</u>	<u>Computer Software</u>	<u>Totals</u>
Cost at 1/1/2009	1,958,900.00	6,271,651.76	177,459.93	604,638,477.70	3,926,997.84	2,460,857.21	619,434,344.44
Acquisitions and additions 1/1-31/12/2009	-	-	-	2,285,193.43	216,429.66	35,614.71	2,537,237.80
Less : transfer to non current assets held for sale	160,987.00	493,513.00	-	-	-	-	654,500.00
Less: Disposals-Write offs 1/1-31/12/2009	-	-	26,439.50	83,976,690.38	438,441.93	-	84,441,571.81
Carrying amounts at 31/12/2009	1,797,913.00	5,778,138.76	151,020.43	522,946,980.75	3,704,985.57	2,496,471.92	536,875,510.43
Cost at 1/1/2010	1,797,913.00	5,778,138.76	151,020.43	522,946,980.75	3,704,985.57	2,496,471.92	536,875,510.43
Acquisitions and additions 1/1-30/9/2010	-	-	-	89,118.96	143,627.91	32,646.67	265,393.54
Less: Disposals-Write offs 1/1-30/9/2010	-	-	6,412.25	39,406.92	68,188.44	-	114,007.61
Carrying amounts at 30/9/2010	1,797,913.00	5,778,138.76	144,608.18	522,996,692.79	3,780,425.04	2,529,118.59	537,026,896.36
Accumulated Depreciation at 1/1/2009	-	1,357,452.26	121,763.58	82,684,842.06	3,154,721.30	2,320,205.20	89,638,984.40
Depreciation for the period 1/1-31/12/2009	-	238,105.03	12,198.39	14,578,869.37	259,815.62	65,261.73	15,154,250.14
Less: depreciation on assets classified as non current held for sale	-	224,324.10	-	-	-	-	224,324.10
Less: Disposed assets accumulated depreciation 1/1-31/12/2009	-	-	26,439.48	12,627,092.89	381,934.37	-	13,035,466.74
Total Accumulated Depreciation at 31/12/2009	-	1,371,233.19	107,522.49	84,636,618.54	3,032,602.55	2,385,466.93	91,533,443.70
Accumulated Depreciation at 1/1/2010	-	1,371,233.19	107,522.49	84,634,741.93	3,029,567.47	2,390,378.62	91,533,443.70
Depreciation for the period 1/1-30/9/2010	-	178,578.78	8,804.31	10,549,865.71	182,582.60	36,299.96	10,956,131.36
Less: Disposed assets accumulated depreciation 1/1-30/9/2010	-	-	5,661.34	26,820.74	33,520.11	-	66,002.19
Total Accumulated Depreciation at 30/9/2010	-	1,549,811.97	110,665.46	95,157,786.90	3,178,629.96	2,426,678.58	102,423,572.87
Net book value at :							
1/1/2009	1,958,900.00	4,914,199.50	55,696.35	521,953,635.64	772,276.54	140,652.01	529,795,360.04
31/12/2009	1,797,913.00	4,406,905.57	43,497.94	438,310,362.21	672,383.02	111,004.99	445,342,066.73
30/9/2010	1,797,913.00	4,228,326.79	33,942.72	427,838,905.89	601,795.08	102,440.01	434,603,323.49

The Company							
	<u>Land</u>	<u>Buildings Technical works</u>	<u>Transportation Equipment</u>	<u>Vessels</u>	<u>Furniture and Other Equipment</u>	<u>Computer Software</u>	<u>Totals</u>
Cost at 1/1/2009	1,958,900.00	6,271,651.76	177,459.93	604,638,477.70	3,918,819.09	2,460,857.21	619,426,165.69
Acquisitions and additions 1/1-31/12/2009	-	-	-	2,285,193.43	216,429.66	35,614.68	2,537,237.77
Less : transfer to non current assets held for sale	160,987.00	493,513.00	-	-	-	-	654,500.00
Less: Disposals-Write offs 1/1-31/12/2009	-	-	26,439.50	83,976,690.38	430,760.86	-	84,433,890.74
Carrying amounts at 31/12/2009	1,797,913.00	5,778,138.76	151,020.43	522,946,980.75	3,704,487.89	2,496,471.89	536,875,012.72
Cost at 1/1/2010	1,797,913.00	5,778,138.76	151,020.43	522,946,980.75	3,704,487.89	2,496,471.89	536,875,012.72
Acquisitions and additions 1/1-30/9/2010	-	-	-	89,118.96	143,627.91	32,646.67	265,393.54
Less: Disposals-Write offs 1/1-30/9/2010	-	-	6,412.25	39,406.92	68,188.44	-	114,007.61
Carrying amounts at 30/9/2010	1,797,913.00	5,778,138.76	144,608.18	522,996,692.79	3,779,927.36	2,529,118.56	537,026,398.65
Accumulated Depreciation at 1/1/2009	-	1,357,452.26	121,763.58	82,684,842.06	3,146,885.96	2,320,205.20	89,631,149.06
Depreciation for the period 1/1-31/12/2009	-	238,105.03	12,198.39	14,578,869.37	259,712.30	65,261.73	15,154,146.82
Less: depreciation on assets classified as non current held for sale	-	224,324.10	-	-	-	-	224,324.10
Less: Disposed assets accumulated depreciation 1/1-31/12/2009	-	-	26,439.48	12,627,092.89	374,253.33	-	13,027,785.70
Total Accumulated Depreciation at 31/12/2009	-	1,371,233.19	107,522.49	84,636,618.54	3,032,344.93	2,385,466.93	91,533,186.08
Accumulated Depreciation at 1/1/2010	-	1,371,233.19	107,522.49	84,634,741.93	3,029,309.85	2,390,378.62	91,533,186.08
Depreciation for the period 1/1-30/9/2010	-	178,578.78	8,804.31	10,549,865.71	182,511.95	36,299.96	10,956,060.71
Less: Disposed assets accumulated depreciation 1/1-30/9/2010	-	-	5,661.34	26,820.74	33,520.11	-	66,002.19
Total Accumulated Depreciation at 30/9/2010	-	1,549,811.97	110,665.46	95,157,786.90	3,178,301.69	2,426,678.58	102,423,244.60
Net book value at :							
1/1/2009	1,958,900.00	4,914,199.50	55,696.35	521,953,635.64	771,933.13	140,652.01	529,795,016.63
31/12/2009	1,797,913.00	4,406,905.57	43,497.94	438,310,362.21	672,142.96	111,004.96	445,341,826.64
30/9/2010	1,797,913.00	4,228,326.79	33,942.72	427,838,905.89	601,625.67	102,439.98	434,603,154.05

During 2009, the Parent Company sold the vessel Pasiphae Palace with net book value € 71,307,943.28 against a net sale proceed of € 73,500,000.00. The gain of the above transaction amounted to € 2,192,056.72, and is included in the item “other operating income” (note 7).

10. Investment Property

The movement of the above caption is presented on the table below:

	<u>Land</u>	<u>Buildings</u>	<u>Totals</u>
Cost at 1/1/2009	556,842.00	1,194,801.36	1,751,643.36
Acquisition & Additions 1/1-31/12/2009	-	-	-
Carrying amounts at 31/12/2009	556,842.00	1,194,801.36	1,751,643.36
Cost at 1/1/2010	556,842.00	1,194,801.36	1,751,643.36
Acquisition & Additions 1/1-30/9/2010	-	-	-
Carrying amounts at 30/9/2010	556,842.00	1,194,801.36	1,751,643.36
Accumulated Depreciation at 1/1/2009	-	206,000.24	206,000.24
Depreciation 1/1-31/12/2009	-	41,200.05	41,200.05
Total Accumulated Depreciation at 31/12/2009	-	247,200.29	247,200.29
Accumulated Depreciation at 1/1/2010	-	247,200.29	247,200.29
Depreciation 1/1-30/9/2010	-	30,900.04	30,900.04
Total Accumulated Depreciation at 30/9/2010	-	278,100.33	278,100.33
Net Book Value at 1/1/2009	556,842.00	988,801.12	1,545,643.12
Net Book Value at 31/12/2009	556,842.00	947,601.07	1,504,443.07
Net Book Value at 30/9/2010	556,842.00	916,701.03	1,473,543.03

The fair value of the above property on 31/12/2009, as determined by independent appraisers amounts to € 1,505,783.00. The fair value was assessed according to the comparison method, due to fact that enough reliable information was found on the location of this property.

11. Investments in subsidiaries

Investments in subsidiaries are stated below :

Name	Participation amount	
	<u>30/9/2010</u>	<u>31/12/2009</u>
Kritiki Philoxenia S.A.	3,203,208.19	3,203,208.19
Minoan Escape S.A.	359,820.00	359,820.00
Minoan Italia S.p.a.	120,000.00	120,000.00
Totals	3,683,028.19	3,683,028.19

12. Other Investments

In the Financial Statements for the nine month period of 2010, the item “Other Investments” refers to the fair value measurement of the Company’s participation in the company Hellenic Seaways S.A.

On May 18th 2009, the Company signed an agreement with “ANEK LINES S.A.” regarding the sale of the Company’s total participation in Hellenic Seaways (representing 33.35% of its share capital) in consideration of the amount of € 125 million, which will be paid in installments till the end of the 4th quarter of the year 2012, when the sale will be concluded. Moreover, the parties have agreed certain terms and conditions for the ensuring of the investment till the full re-payment of the agreed sale price. According to the agreement, the Parent will retain title over the shares of Hellenic Seaways S.A. until the full re-payment of the consideration. The agreement was subjected to the condition of its prior approval by the Hellenic Competition Commission and, as far as the Company was concerned, its prior approval by the bondholders. The above sale agreement was approved on June 30th, 2009 by the bondholders and on July 10th 2009, by the Hellenic Competition Commission.

The Company deems that the significant influence in the associate company Hellenic Seaways S.A. is ceased at the date of the approval by the Hellenic Competition Commission (10/7/2009) since the sale agreement is put in force. The Parent has adopted the revised standard I.A.S. 28 "Investments in associates", according to which, the significant influence in the above associate ceased at the date of the approval by the Hellenic Competition Commission, therefore, the participation was measured to fair value according to I.A.S. 39. The loss of significant influence resulted to the Company's partial disengagement of the essential risks and rewards of the participation, while retaining title over the shares. Therefore, in accordance with I.A.S. 39, the agreed sale price of € 125 million was allocated by the Company, in the part relating to the shares that retained title and in the part relating to the right of exercising the significant influence (control premium) that was abolished. The fair value of the control premium was considered the amount of the non-refunded advance (€ 47.5 million), since it will not be paid back even in the case of the prior termination of the sale agreement. The fair value of the participation was considered the remaining portion of the consideration amounted to € 77.5 million.

In the Financial Statements of 30/9/2009, the share of Loss after taxation from the associate company Hellenic Seaways S.A. amounted to € -2,497,366.05.

13. Trade and Other receivables-Other current assets

	Trade and other Receivables			
	The Group		The Company	
	30/9/2010	31/12/2009	30/9/2010	31/12/2009
Customers – Cheques Receivable	70,732,249.83	47,505,717.17	70,726,770.48	47,486,917.12
Less : Provisions	-1,858,797.83	-1,858,797.83	-1,807,860.98	-1,807,860.98
Trade receivables due from affiliates and associates	46,454.03	46,454.03	106,723.99	113,888.23
Other Receivables	2,358,328.88	15,023,072.83	2,243,221.64	14,916,318.64
Totals	71,278,234.91	60,716,446.20	71,268,855.13	60,709,263.01

In the above balance "Customers - Cheques receivable" of the parent company amounting to € 71,268,855.13, a receivable amount of approximately € 20.16 million is included derived from a port agent. The Company's Management has assigned to lawyers a mandate to proceed to all necessary legal procedures in order to ensure the recovery of this amount. Moreover, for securing the above amount, the Company has received mortgages and pre-notations on properties whose commercial value amounts to approximately 1.8 million.

	Other Current assets			
	The Group		The Company	
	30/9/2010	31/12/2009	30/9/2010	31/12/2009
Prepaid Expenses	4,280,084.31	5,014,533.03	4,279,159.31	5,013,724.04
Accrued Income	6,112,012.55	374,471.86	6,098,696.75	358,376.96
Totals	10,392,096.86	5,389,004.89	10,377,856.06	5,372,101.00

It should be noted that, the item "Accrued Income" includes an amount of € 6.60 million which refers to accrued income from the operations of chartered vessel, which on 30/9/2010 has not become due from the ultimate Parent Company according to the chartering agreement.

14. Non – Current assets held for sale

In the Financial Statements of 31/12/2009, non-current assets held for sale, include property that was sold on 24/6/2010 at the consideration of € 950 thousand. The profit of the sale amounted to € 541,698.92 and is included in the item "other operating income". In the Interim Condensed Financial Statements of the period, non-current assets held for sale include land and buildings of a subsidiary with net book value € 5,200,000.05, for which a decision for disposal has been taken by the Management of the Company. The fair value of the above item on 30/9/2010, as assessed by independent appraisers, amounted to € 5,218,790.00. The fair value was assessed according to the comparison method, due to fact that was found enough reliable information on the location of this property.

15. Loans - Short term bank borrowings

The long - term debt of the Company is analyzed as follows:

	<u>Average</u> <u>Interest Rate</u>		<u>Average</u> <u>Interest Rate</u>	
	<u>09/2010</u>	<u>30/9/2010</u>	<u>09/2009</u>	<u>31/12/2009</u>
Bond Loan - Agent National Bank of Greece	2.44%	268,656,315.00	3.16%	292,656,315.00
Less : Net book value of transaction costs		-1,247,377.45		-1,344,998.69
Totals		267,408,937.55		291,311,316.31
Less : current portion of long-term loan		-8,517,370.00		-291,311,316.31
Total Long term debt		258,891,567.55		-

The bond loan agreement is denominated in Euro with a variable interest rate (euribor), plus a spread as defined in the particular agreement. The loan is repayable until 2019. Nevertheless, a partial or total prepayment of the loan, is permitted.

On December 31st 2009, the Company did not comply with the financial covenant referred to the ratio of total consolidated earnings before interest, taxes, depreciation and amortization to net interest expenses, thus the long term debt was classified as a short-term liability according to I.A.S. 1. During the current year the company signed with the bondholders a supplemental agreement related to the waiver of the above non-compliance covenant for two years, thus the bond loan was reclassified to long-term liabilities. The interest expense of the bond loan for the periods ended 1/1-30/9/2010 and 1/1-30/9/2009, amounted to € 5,208,707.33 and € 7,691,591.38 respectively.

In order to secure the aforementioned debt, first preferred mortgages amounting to € 375,000,000.00 have been registered on the Company's vessels.

The short term borrowings on 30/9/2010 and 31/12/2009, amounted to € 7,792,398.07 and € 4,956,992.61 respectively and are guaranteed with post dated cheques. The average interest rates for the periods 1/1-30/9/2010 and 1/1-30/9/2009 reached 3.59% and 4.82% respectively.

16. Trade and Other payables

	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2010</u>	<u>31/12/2009</u>	<u>30/9/2010</u>	<u>31/12/2009</u>
Suppliers – Cheques payables	22,140,021.17	23,018,978.05	22,140,021.17	23,014,057.19
Income Tax payable	1,144,461.84	19,243.77	1,134,944.00	-
Withholding Taxes-Social Security Contributions payable	3,086,811.82	2,628,821.01	3,085,571.93	2,625,428.93
Dividends payable	552,396.58	552,743.27	552,396.58	552,743.27
Sundry creditors	6,804,674.29	4,664,981.94	6,794,331.67	4,654,831.82
Accrued expenses	2,967,794.56	1,748,184.68	2,965,778.51	1,456,992.75
Customer advances	244,427.34	300,444.94	244,221.34	300,444.94
Deferred income	2,807,713.28	2,634,311.02	2,807,713.28	2,634,311.02
Totals	39,748,300.88	35,567,708.68	39,724,978.48	35,238,809.92

In the item income tax payable, is included an amount of € 1,134,944.00 which relates to provision for special income tax contribution, according to law 3845/2010, for the profits of the year 2009. The same amount has been charged to the Company's results (note 8).

17. Operating segments

The Group operates its business mainly in the passenger ferry shipping industry while the geographical segment is based on the vessels' operations of the parent in both, coastal (Greece) and Adriatic (Europe) routes.

The Company, due to the nature of its business activities, encounters the effect of seasonality relating to the revenue from passengers' and private cars' fares and the revenue from on-board services (bars – restaurants, shops), that represent 43.0% and 19.0% of the total annual revenue respectively.

The revenue that results from truck fares represents 38.0% of the total annual revenue and it is evenly earned throughout the year.

The Group

<u>at 30/9/2010</u>	<u>Greece routes</u>	<u>Adriatic routes</u>	<u>Unallocated items</u>	<u>Totals</u>
Revenue	37,846,229.55	96,603,956.27	1,908,656.31	136,358,842.13
Gross Profit / (Loss)	-242,743.05	3,447,307.73	293,467.59	3,498,032.27
Losses before depreciation, taxation, financing and investment costs (E.B.I.T.D.A.)	3,184,064.31	2,208,819.18	-10,132,188.83	-4,739,305.34
Net depreciation	-4,758,198.41	-5,121,878.72	-962,093.91	-10,842,171.04
Losses before taxation, financing and investment costs (E.B.I.T.)	-1,574,134.11	-2,913,059.54	-11,094,282.73	-15,581,476.38
Financial Income	-	-	1,805,954.84	1,805,954.84
Financial Expense	-1,748,462.66	-2,094,790.17	-2,319,038.23	-6,162,291.06
Share of Loss from affiliates	-	-	-	-
Losses before tax	-3,322,596.77	-5,007,849.71	-11,607,366.12	-19,937,812.60
Income Tax expense	-	-	-1,144,461.84	-1,144,461.84
Losses after tax	-3,322,596.77	-5,007,849.71	-12,751,827.96	-21,082,274.44
Total Assets	189,412,627.48	174,005,851.10	248,025,624.53	611,444,103.11
Total Liabilities	92,806,371.40	93,990,896.79	134,945,490.60	321,742,758.79
Capital expenditure	23,254.65	26,237.74	215,901.15	265,393.54
<u>at 30/9/2009</u>	<u>Greece routes</u>	<u>Adriatic routes</u>	<u>Unallocated items</u>	<u>Totals</u>
Revenue	47,722,224.35	92,340,239.69	121,885.88	140,184,349.92
Gross Profit	13,385,643.13	13,676,740.95	76,128.18	27,138,512.26
Losses before depreciation, taxation, financing and investment costs (E.B.I.T.D.A.)	16,301,845.97	14,933,039.02	-13,933,779.76	17,301,105.23
Net depreciation	-4,754,039.87	-6,168,980.22	-491,891.88	-11,414,911.97
Profits / (Losses) before taxation, financing and investment costs (E.B.I.T.)	11,547,806.10	8,764,058.80	-14,425,671.64	5,886,193.26
Financial Income	-	-	51,997,378.56	51,997,378.56
Financial Expense	-2,608,951.56	-3,742,306.16	-2,466,723.99	-8,817,981.71
Share of Loss from affiliates	-	-	-2,497,366.05	-2,497,366.05
Profits before tax	8,938,854.54	5,021,752.64	32,607,616.88	46,568,224.06
Income Tax expense	-	-	-22,467.55	-22,467.55
Profits after tax	8,938,854.54	5,021,752.64	32,585,149.33	46,545,756.51
<u>at 31/12/2009</u>	<u>Greece routes</u>	<u>Adriatic routes</u>	<u>Unallocated items</u>	<u>Totals</u>
Total Assets	194,045,009.95	244,265,352.26	211,484,792.33	649,795,154.54
Total Liabilities	97,118,179.14	132,608,400.70	109,284,955.94	339,011,535.78
Capital expenditure	250,611.13	2,034,582.30	252,044.37	2,537,237.80

The non-allocated items are closely monitored by Management and are analyzed as follows:

- Total profits/losses before depreciation taxation financing and investing costs, are mainly referred to administrative and contribution expenses which can not be reasonably allocated
- Total financial expenses refer to interest not related to vessels acquisition
- Total assets refer to assets not related to vessels
- Total liabilities refer to liabilities other than the loans related to vessels acquisition

18. Related Party transactions

Related parties are considered the Group of the ultimate Parent Company (GRIMALDI COMPAGNIA DI NAVIGAZIONE S.p.a., domicile Palermo Italy), the members of the Board of Directors and Management of the Company, the members of the Board of Directors and Management of subsidiaries of the Group, the financially dependent members and first-degree relatives of the members of the Board of Directors and Management, and the associate companies.

On the tables below the balances of trade receivables and payables on September 30th 2010 and December 31st 2009, as well as the purchases and sales of the companies of the Group for the third quarter of 2010 and 2009 are presented:

18.1 Group of Ultimate Parent Company

30/9/2010

Company	Grimaldi Compagnia di Navigazione S.p.a.	Atlantica di Navigazione S.p.a.	Industria Armamento Meridionale S.p.a.	Finnlines P.I.c.	Totals
Minoan Lines S.A. (due from)	306,294.77	25,934.93	411.95	854.60	333,496.25

31/12/2009

Company	Grimaldi Compagnia di Navigazione S.p.a.	Atlantica di Navigazione S.p.a.	Industria Armamento Meridionale S.p.a.	Totals
Minoan Lines S.A. (due from)	114,456.84	-	-	114,456.84
Minoan Lines S.A. (payable to)	-	55,906.10	5,910.36	61,816.46

1/1-30/9/2010

Company	Grimaldi Compagnia di Navigazione S.p.a.	Atlantica di Navigazione S.p.a.	Totals
Minoan Lines S.A.			
Chartering cost	11,892,628.38	-	11,892,628.38
Crew wages cost	210,633.96	-	210,633.96
Cost of prepaid meals	48,246.32	-	48,246.32
Advertising cost	-	16,491.60	16,491.60
Totals	12,151,508.66	16,491.60	12,168,00.26
50% on board income	1,008,112.91	-	1,008,112.91
Chartering Revenue	-	595,000.00	595,000.00

1/1-30/9/2009

Company	Industria Armamento Meridionale S.p.a.
Minoan Lines S.A.	
Chartering cost	3,839,000.00
Crew wages cost	867,201.23
Totals	4,706,201.23

18.2 Subsidiaries

30/9/2010

Company	Minoan Cruises S.A.	Minoan Escape S.A.	Kritiki Filoxenia S.A.	Totals
Minoan Lines S.A. (due from)	-	4,883.11	289.72	5,172.83
Athina A.V.E.E. (due from)	-	-	35,108.74	35,108.74

31/12/2009

Company	Minoan Escape S.A.	Kritiki Filoxenia S.A.	Totals
Minoan Lines S.A. (due from)	15,743.11	51,690.79	67,433.90
Athina A.V.E.E. (due from)	-	33,875.08	33,875.08

1/1-30/9/2010

Company	Athina A.V.E.E.	Minoan Escape S.A.	Minoan Cruises S.A.	Kritiki Filoxenia S.A.	Totals
Minoan Lines S.A.					
Revenues from Fares	-	15,256.00	-	-	15,256.00
Revenue from rentals and other	-	31,516.52	450.00	1,320.63	33,287.15
Totals	-	46,772.52	450.00	1,320.63	48,543.15
Kritiki Filoxenia S.A.					
Revenues from dividends	379.73	-	-	-	379.73
Totals	379.73	-	-	-	379.73

1/1-30/9/2009

Company	Athina A.V.E.E.	Minoan Escape S.A.	Minoan Cruises S.A.	Kritiki Filoxenia S.A.	Totals
Minoan Lines S.A.					
Revenues from Fares	-	22,950.00	-	-	22,950.00
Revenue from rentals and other	-	47,131.62	450.00	1,320.63	48,902.25
Totals	-	70,081.62	450.00	1,320.63	71,852.25
Kritiki Filoxenia S.A.					
Revenues from dividends	7,502.30	-	-	-	7,502.30
Totals	7,502.30	-	-	-	7,502.30

18.3 Associates

30/9/2010

Company	Mediterranean Ferries S.r.l.
Minoan Lines S.A. (due from)	46,454.03

31/12/2009

Company	Mediterranean Ferries S.r.l.
Minoan Lines S.A. (due from)	46,454.03

All the above transactions, as referred in notes 18.1 and 18.2, were entered into at arm's length.

18.4 Members of the Board of Directors and Management

The remuneration to the Members of the Board of Directors and the Company's management are analysed as follows:

	<u>30/9/2010</u>	<u>30/9/2009</u>
Executive directors	378,264.05	344,338.45
Non – executive directors	142,931.50	156,035.26
Management	626,147.42	817,642.47
Totals	<u>1,147,342.97</u>	<u>1,318,016.18</u>

19. Contingent liabilities

There are no changes in contingent liabilities of the Company and the Group to those referred to the Annual Financial Statements of 2009.

The unaudited tax years for the Companies that are included in the Financial Statements are presented below:

<u>Company</u>	<u>Unaudited tax years</u>
Minoan Lines S.A.	2006 – 2009
Minoan Escape S.A.	2006 – 2009
Minoan Cruises S.A.	2000 – 2009
Kritiki Filoxenia S.A.	2007 – 2009
Athina A.V.E.E.	2007 – 2009
Minoan Italia S.p.a.	2009
Mediterranean Ferries S.r.l.	2002 – 2009

The tax obligations so of the Company and the Companies of the Group, will be finalized after the completion of the relevant regular tax audits by the competent tax authorities. Moreover, there are still pending legal disputes for Value Added Tax differences for the years 1998-2005, resulted from the Company's regularly tax audit completion in 2006. It should be noted that, the Company has been justified for similar tax litigations for the years preceding 1998 by the Hellenic Council of State, thus no relevant provision has established.

20. Subsequent events

There are no subsequent events relating to the Company or the Group that have occurred and need to be disclosed according to the International Accounting Standard 34.

Heraklion, November 26th 2010

The Vice Chairman of the Board

Konstantinos Mamalakis
ID C No AA 367050

The Managing Director

Antonios Maniadakis
ID C No X 850531

The Chief Accountant

Dimitra Batsi
ID C No AI 438159
ID OEE 23944 First Class

