



MINOAN LINES SHIPPING S.A.

Interim Condensed Financial Statements **(January 1st - March 31st 2011)**

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

Review on the Financial Results for the first quarter of 2011

Financial Results

The company's financial results have been significantly affected by the high fuel prices and the increased competition in the sector. The adverse economic conditions have affected, as expected, the traffic volumes in all categories in the markets that the company operates. Moreover, the company's financial results include extraordinary vessels chartering at the North Africa region.

More precisely, the consolidated financial results of the first quarter of 2011 have been improved compared to the respective period of 2010 with revenue to present an increase of 19.3%, the operating results (EBITDA) and net results to be improved by 47.6% and 14.9% respectively.

The company's revenue for the first 3-month period of 2011 stood at € 34.5 million while the operating result (EBITDA) was shaped at € -4.2 million. The net results of Minoan Lines after taxes, which due to seasonality in traffic volumes are always negative, stood at -10.5 million €.

On the Group's level, the revenue and operating profits (EBITDA) stood at the same level with that of the parent company while the net results were shaped at -10.5 million €.

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 current economic crisis.

Traffic Volumes – Market Shares

- **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 first 3-month period of 2011 higher market shares in all traffic categories in comparison with the respective share of trips. More specifically, the company's market shares stood at 36.7%, 33.8% and 41.8% for passengers, private cars and trucks respectively with Minoan Lines accomplishing the 32.4% of trips in the North Adriatic market.

Moreover, during the first quarter of 2011, Minoan lines carried 55,000 passengers, 13,000 private cars and 21,000 freight units.

Deployment of new vessels

In October 2009 the new building vessel Cruise Europa was deployed on the route Patra – Igoumenitsa – Ancona while last July 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 signalling a new era in the sea connection between Greece and Italy.

It should be noted that the said vessels, which operate together for the first time on the route this year, have already developed a successful commercial dynamic increasing Minoan Lines' market shares in all traffic categories on the subject route.

More precisely, during the first quarter of 2011 the market share for passengers stood at 37.6% versus 32.6% in the first quarter of 2010, for private cars it stood at 33.0% versus 24.8% in the first quarter of 2010 and for freight unit it stood at 46.0% versus 35.8% of the respective period of 2010.

- **Domestic Market**

On the route “Heraklion-Piraeus”, Minoan Lines maintained its leading position during the first quarter of 2011 while it improved its market share in both categories of passengers and private cars in comparison with the respective period of 2010.

Moreover, the company carried 148,000 passengers, 17,000 private cars and 12,000 freight units during the first quarter of 2011.

In addition, the company achieved higher market shares in all traffic categories in comparison with the respective share of trips. More specifically, the market shares on this specific route, with the company having realized the 35.3% of trips, reached 55.2% for passengers, 51.6% for private cars and 38.5% for freight units.

Prospects in 2011

The year 2011 is expected to be a difficult period for most of the Greek companies and the ferry sector as well.

The continuing efforts by the government to reverse the long lasting fiscal imbalances have forced it to impose urgently austerity measures in order to address the unprecedented economic crisis. These austerity measures, as broadly expected, have aggravated the households leading to the reduction of their disposable income.

The aforementioned, in combination with the high fuel prices, the increased competition in the sector and the readjustment of the offered tonnage on the routes Heraklion – Piraeus and Patras – Igoumenitsa – Ancona are the main factors that will affect the company's economic performance.

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INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	Note	The Group		The Company	
		1/1-31/3/2011	1/1-31/3/2010	1/1-31/3/2011	1/1-31/3/2010
Revenue	5	34,533,781.58	28,939,358.26	34,509,248.60	28,911,374.96
Cost of sales	6	-37,740,025.01	-35,310,521.80	-37,740,025.01	-35,309,927.84
Gross Losses		-3,206,243.43	-6,371,163.54	-3,230,776.41	-6,398,552.88
Other operating income		101,619.10	51,066.92	102,659.31	62,588.40
Selling expenses	7	-2,956,834.88	-3,330,998.46	-2,956,834.88	-3,329,829.93
Administrative expenses		-1,740,639.12	-1,861,371.41	-1,738,741.00	-1,856,001.09
Other operating expenses		-19,530.58	-13,886.04	-19,530.58	-13,576.17
Operating losses before financing costs		-7,821,628.91	-11,526,352.53	-7,843,223.56	-11,535,371.67
Financial income		56,687.79	614,404.29	56,602.32	614,002.36
Financial expenses		-2,706,360.16	-1,398,537.46	-2,706,227.16	-1,395,122.83
Net financial results		-2,649,672.37	-784,133.17	-2,649,624.84	-781,120.47
Losses before tax		-10,471,301.28	-12,310,485.70	-10,492,848.40	-12,316,492.14
Income tax expense		-5,644.31	-5,857.40	-	-
Losses after tax		-10,476,945.59	-12,316,343.10	-10,492,848.40	-12,316,492.14
Total comprehensive losses for the period after tax		-10,476,945.59	-12,316,343.10	-10,492,848.40	-12,316,492.14
<u>The Losses of the period are attributable to :</u>					
Owners of the parent company		-10,476,915.34	-12,315,392.75	-10,492,848.40	-12,316,492.14
Non-controlling Interests		-30.25	-950.35	-	-
<u>The total comprehensive losses of the period are attributable to :</u>					
Owners of the parent		-10,476,915.34	-12,315,392.75	-10,492,848.40	-12,316,492.14
Non-controlling interests		-30.25	-950.35	-	-
Basic and Diluted Losses per Share after Tax		-0.1477	-0.1736	-0.1479	-0.1737

The accompanying notes on pages 9 - 18 are integral part of the Interim Financial Statements

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

	Note	The Group		The Company	
		31/3/2011	31/12/2010	31/3/2011	31/12/2010
Assets					
Non – current assets					
Property, plant and equipment	8	428,022,420.36	431,534,822.73	428,022,420.33	431,534,822.70
Investment property	9	1,452,943.01	1,463,243.02	1,452,943.01	1,463,243.02
Investments in subsidiaries	10	-	-	3,408,405.99	3,408,405.99
Other investments	11	77,500,000.00	77,500,000.00	77,500,000.00	77,500,000.00
Other long term assets		38,170.23	35,481.48	38,170.23	35,481.48
Total non – current assets		507,013,533.60	510,533,547.23	510,421,939.56	513,941,953.19
Current assets					
Inventories	12	10,957,012.71	9,249,047.02	10,957,012.71	9,249,047.02
Trade and other receivables	13	60,550,448.30	56,806,475.43	60,545,458.20	56,799,165.73
Available for sale securities		72,545.30	72,545.30	72,545.30	72,545.30
Other current assets	13	12,918,504.73	10,390,403.52	12,896,603.53	10,390,403.52
Cash and cash equivalents	14	4,986,500.56	22,648,789.60	4,707,245.21	22,372,498.20
Non - current assets held for sale	15	5,200,000.05	5,200,000.05	-	-
Total current assets		94,685,011.65	104,367,260.92	89,178,864.95	98,883,659.77
Total Assets		601,698,545.25	614,900,808.15	599,600,804.51	612,825,612.96
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		59,918,445.73	59,918,445.73	59,916,795.73	59,916,795.73
Retained earnings		10,473,427.57	20,950,342.91	9,023,357.70	19,516,206.10
Total Equity attributable to equity holders of the parent		256,917,949.68	267,394,865.02	255,466,229.81	265,959,078.21
Non-controlling interests		1,357.38	1,387.63	-	-
Total Equity		256,919,307.06	267,396,252.65	255,466,229.81	265,959,078.21
Non – current liabilities					
Loans	16	258,956,648.37	258,924,107.96	258,956,648.37	258,924,107.96
Deferred tax liabilities		603,823.44	603,823.44	-	-
Retirement benefit obligations		2,340,248.40	2,647,971.82	2,340,248.40	2,647,971.82
Deferred government grants		4,368,286.79	4,416,627.21	4,368,286.79	4,416,627.21
Total Non – current liabilities		266,269,007.00	266,592,530.43	265,665,183.56	265,988,706.99
Current liabilities					
Bank overdrafts	16	8,760,000.02	23,248,082.21	8,760,000.02	23,248,082.21
Loans-current portion of long term loans	16	8,517,370.00	8,517,370.00	8,517,370.00	8,517,370.00
Trade and other payables	17	61,232,861.17	49,146,572.86	61,192,021.12	49,112,375.55
Total Current liabilities		78,510,231.19	80,912,025.07	78,469,391.14	80,877,827.76
Total Liabilities		344,779,238.19	347,504,555.50	344,134,574.70	346,866,534.75
Total Equity and Liabilities		601,698,545.25	614,900,808.15	599,600,804.51	612,825,612.96

The accompanying notes on pages 9 - 18 are integral part of the Interim Financial Statement



INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY

	Share Capital	Share Premium	Other Reserves	Retained Earnings	Total Equity
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
Total comprehensive income after tax for the period 1/1-31/3/2010	-	-	-	-12,316,492.14	-12,316,492.14
Balance as at 31/3/2010	159,583,500.00	26,942,576.38	58,361,495.73	51,834,688.91	296,722,261.02
Balance as at 1/1/2011	159,583,500.00	26,942,576.38	59,916,795.73	19,516,206.10	265,959,078.21
Total comprehensive income after tax for the period 1/1-31/3/2011	-	-	-	-10,492,848.40	-10,492,848.40
Balance as at 31/3/2011	159,583,500.00	26,942,576.38	59,916,795.73	9,023,357.70	255,466,229.81

The accompanying notes on pages 9 - 18 are integral part of the Interim Financial Statements

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital	Share Premium	Other Reserves	Retained Earnings	Total Shareholders Equity	Non Controlling Interest	Total Equity
<u>Changes in equity 1/1 – 31/3/2010</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 1/1-31/3/2010	-	-	-	-12,315,392.75	-12,315,392.75	-950.35	-12,316,343.10
Balance as at 31/3/2010	159,583,500.00	26,942,576.38	58,401,903.70	53,546,526.10	298,474,506.18	-7,230.52	298,467,275.66
<u>Changes in equity 1/1 – 31/3/2011</u>							
Balance as at 1/1/2011	159,583,500.00	26,942,576.38	59,918,445.73	20,950,342.91	267,394,865.02	1,387.63	267,396,252.65
Total comprehensive income after taxes for the period 1/1-31/3/2011	-	-	-	-10,476,915.34	-10,476,915.34	-30.25	-10,476,945.59
Balance as at 31/3/2011	159,583,500.00	26,942,576.38	59,918,445.73	10,473,427.57	256,917,949.68	1,357.38	256,919,307.06

The accompanying notes on pages 9 - 18 are integral part of the Interim Financial Statements



INTERIM CONDENSED STATEMENT OF CASH FLOWS

	The Group		The Company	
	<u>1/1-31/3/2011</u>	<u>1/1-31/3/2010</u>	<u>1/1-31/3/2011</u>	<u>1/1-31/3/2010</u>
<u>Cash Flows from Operating Activities</u>				
(Losses) before taxes	-10,471,301.28	-12,310,485.70	-10,492,848.40	-12,316,492.14
<i>Adjustments for:</i>				
Depreciation and amortization	3,613,744.09	3,492,084.74	3,613,744.09	3,492,061.19
Provisions	77,507.62	-1,390,008.74	77,507.62	-1,390,008.74
Net Foreign Exchange (gains)	-23,835.02	-5,341.51	-23,835.02	-5,341.51
Income/(expenses), gains/(losses) from investing activities	-	7,711.43	-	7,711.43
Interest and other financial expenses	2,706,360.16	1,398,537.46	2,706,227.16	1,395,122.83
<u>Adjustments for changes in working capital or operating activities</u>				
(Increase) in inventories	-1,707,965.69	-1,860,524.02	-1,707,965.69	-1,860,524.02
(Increase) in trade and other receivables	-6,272,353.20	-13,457,966.44	-6,252,771.60	-13,451,691.15
Increase in liabilities other than borrowings	10,313,817.93	8,834,594.93	10,312,819.50	8,839,398.73
Less :				
Interest and related expenses paid	-1,193,075.68	-1,338,494.79	-1,192,942.68	-1,335,080.16
Income taxes paid	-72,851.55	-	-72,851.55	-
<u>Net cash flow used in operating activities (a)</u>	-3,029,952.62	-16,629,892.64	-3,032,916.57	-16,624,843.54
<u>Cash Flows from Investing activities</u>				
Purchase of property, plant and equipment	-142,070.88	-41,360.76	-142,070.88	-41,360.76
Advances from disposal of other investments	-	13,000,000.00	-	13,000,000.00
<u>Net cash flow generated from/(used in) investing activities (b)</u>	-142,070.88	12,958,639.24	-142,070.88	12,958,639.24
<u>Cash Flows from Financing activities</u>				
Repayment of long/short term borrowings	-14,488,082.19	-2,599,813.34	-14,488,082.19	-2,599,813.34
Repayment of finance lease liabilities	-	-38,597.78	-	-38,597.78
Dividends paid	-2,183.35	-346.69	-2,183.35	-346.69
<u>Net cash flow used in financing activities (c)</u>	-14,490,265.54	-2,638,757.81	-14,490,265.54	-2,638,757.81
Net (Decrease) in cash and cash equivalents(a)+(b)+(c)	-17,662,289.04	-6,310,011.21	-17,665,252.99	-6,304,962.11
Cash and cash equivalents at the beginning of the period	22,648,789.60	47,475,852.31	22,372,498.20	46,943,386.98
Cash and cash equivalents at the end of the period	4,986,500.56	41,165,841.10	4,707,245.21	40,638,424.87

The accompanying notes on pages 9 - 18 are integral part of the Interim Financial Statements

NOTES TO THE INTERIM CONDENSED COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1/1- 31/3/2011

1. General Company's Information

The Company was established on 25th May 1972 (FEK 939-25/5/1972), is based in the Municipality of Heraklion-Crete 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 31/3/2011 and 31/3/2010 was 535 and 679, 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 of ordinary shares outstanding on 31/3/2011 was 70,926,000, while the total market capitalization reached € 224,126,160.00. 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 March 31st 2011, 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 31/3/2011, which were approved by the board of directors meeting on May 27th 2011, include the Interim Condensed Company and the Consolidated Financial Statements (the "Financial Statements").

The consolidated 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 consolidated 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>2011</u>	<u>2010</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%	80.80%
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%

Note : * 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 2010.

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 31/12/2010.

3. Significant Accounting Policies

The significant accounting policies adopted for the preparation of the Financial Statements on 31/3/2011, are those applied for the preparation of the Annual Financial Statements on 31/12/2010 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

- **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 case of using hedging instruments.
- **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 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. This amendment is not expected to impact the Group's financial statements.

- **I.F.R.I.C. 14 (Amendment) “Prepayments of a Minimum Funding Requirement”.** The aim of the amendment, which becomes effective for annual periods beginning on or after 1 January 2011, is to enable entities to recognize as assets certain voluntary prepayments for a minimum funding requirement. This amendment has no apply to the Company’s and the Group’s financial statements.

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 31/12/2010.

5. Revenue

	The Group		The Company	
	31/03/2011	31/03/2010	31/03/2011	31/03/2010
Revenue from Vessel Operations (fares)	30,397,836.77	24,739,331.83	30,397,836.77	24,740,119.83
Revenue from on board services	3,825,601.18	4,065,417.33	3,825,601.18	4,065,417.33
Other Revenue	310,343.63	134,609.10	285,810.65	105,837.80
Totals	34,533,781.58	28,939,358.26	34,509,248.60	28,911,374.96

6. Cost of sales

	The Group		The Company	
	31/03/2011	31/03/2010	31/03/2011	31/03/2010
Payroll cost - Bunkers and lubricants	24,909,139.35	23,995,094.51	24,909,139.35	23,995,094.51
Port expenses – Maintenances	2,943,641.23	3,162,498.81	2,943,641.23	3,162,498.81
Food – Beverages – Shops merchandise	1,790,670.61	1,915,884.17	1,790,670.61	1,915,884.17
Vessel chartering cost	3,095,906.78	1,877,049.99	3,095,906.78	1,877,049.99
Other expenses	1,521,423.06	1,014,486.25	1,521,423.06	1,013,892.29
Depreciation	3,527,584.40	3,391,782.91	3,527,584.40	3,391,782.91
Amortisation of government grant	-48,340.42	-46,274.84	-48,340.42	-46,274.84
Totals	37,740,025.01	35,310,521.80	37,740,025.01	35,309,927.84

7. Selling expenses

	The Group		The Company	
	31/03/2011	31/03/2010	31/03/2011	31/03/2010
Payroll cost	1,202,142.52	1,236,178.78	1,202,142.52	1,236,178.78
Commissions	1,082,074.32	1,254,505.90	1,082,074.32	1,254,505.90
Advertising and promotion expenses	427,676.08	531,284.29	427,676.08	531,284.29
Other expenses	244,941.96	309,029.49	244,941.96	307,860.96
Totals	2,956,834.88	3,330,998.46	2,956,834.88	3,329,829.93

8. 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 1/1/2010	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 1/1-31/12/2010	-	-	-	507,397.64	212,422.15	141,158.27	860,978.06
Less: Disposals-Write offs 1/1-31/12/2010	-	-	6,412.25	39,406.92	72,961.83	9,978.67	128,759.67
Costs at 31/12/2010	1,797,913.00	5,778,138.76	144,608.18	523,414,971.47	3,844,445.89	2,627,651.52	537,607,728.82
Cost at 1/1/2011	1,797,913.00	5,778,138.76	144,608.18	523,414,971.47	3,844,445.89	2,627,651.52	537,607,728.82
Acquisitions and additions 1/1-31/3/2011	-	-	-	23,601.21	22,251.00	93,530.00	139,382.21
Less: Disposals-Write offs 1/1-31/3/2011	-	-	-	1,181.42	1,441.85	-	2,623.27
Costs at 31/3/2011	1,797,913.00	5,778,138.76	144,608.18	523,437,391.26	3,865,255.04	2,721,181.52	537,744,487.76
Accumulated Depreciation at 1/1/2010	-	1,371,233.19	107,522.49	84,635,846.56	3,028,462.84	2,390,378.62	91,533,443.70
Depreciation for the period 1/1-31/12/2010	-	238,105.03	11,549.21	14,077,176.21	231,162.85	50,994.09	14,608,987.39
Less: Disposed assets accumulated depreciation 1/1-31/12/2010	-	-	5,661.34	26,820.74	31,286.96	5,755.96	69,525.00
Accumulated Depreciation at 31/12/2010	-	1,609,338.22	113,410.36	98,686,202.03	3,228,338.73	2,435,616.75	106,072,906.09
Accumulated Depreciation at 1/1/2011	-	1,609,338.22	113,410.36	98,686,202.03	3,228,338.73	2,435,616.75	106,072,906.09
Depreciation for the period 1/1-31/3/2011	-	59,526.26	2,393.95	3,520,062.33	48,681.63	21,120.33	3,651,784.50
Less: Disposed assets accumulated depreciation 1/1-31/3/2011	-	-	-	1,181.40	1,441.79	-	2,623.19
Accumulated Depreciation at 31/3/2011	-	1,668,864.48	115,804.31	102,205,082.96	3,275,578.57	2,456,737.08	109,722,067.40
Net book value at :							
1/1/2010	1,797,913.00	4,406,905.57	43,497.94	438,311,134.19	676,522.73	106,093.30	445,342,066.73
31/12/2010	1,797,913.00	4,168,800.54	31,197.82	424,728,769.44	616,107.16	192,034.77	431,534,822.73
31/3/2011	1,797,913.00	4,109,274.28	28,803.87	421,232,308.30	589,676.47	264,444.44	428,022,420.36

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 1/1/2010	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 1/1-31/12/2010	-	-	-	507,397.64	212,422.15	141,158.27	860,978.06
Less: Disposals-Write offs 1/1-31/12/2010	-	-	6,412.25	39,406.92	72,464.15	9,978.67	128,261.99
Costs at 31/12/2010	1,797,913.00	5,778,138.76	144,608.18	523,414,971.47	3,844,445.89	2,627,651.49	537,607,728.79
Cost at 1/1/2011	1,797,913.00	5,778,138.76	144,608.18	523,414,971.47	3,844,445.89	2,627,651.49	537,607,728.79
Acquisitions and additions 1/1-31/3/2011	-	-	-	23,601.21	22,251.00	93,530.00	139,382.21
Less: Disposals-Write offs 1/1-31/3/2011	-	-	-	1,181.42	1,441.85	-	2,623.27
Costs at 31/3/2011	1,797,913.00	5,778,138.76	144,608.18	523,437,391.26	3,865,255.04	2,721,181.49	537,744,487.73
Accumulated Depreciation at 1/1/2010	-	1,371,233.19	107,522.49	84,635,846.56	3,028,205.22	2,390,378.62	91,533,186.08
Depreciation for the period 1/1-31/12/2010	-	238,105.03	11,549.21	14,077,176.21	231,068.65	50,994.09	14,608,893.19
Less: Disposed assets accumulated depreciation 1/1-31/12/2010	-	-	5,661.34	26,820.74	30,935.14	5,755.96	69,173.18
Accumulated Depreciation at 31/12/2010	-	1,609,338.22	113,410.36	98,686,202.03	3,228,338.73	2,435,616.75	106,072,906.09
Accumulated Depreciation at 1/1/2011	-	1,609,338.22	113,410.36	98,686,202.03	3,228,338.73	2,435,616.75	106,072,906.09
Depreciation for the period 1/1-31/3/2011	-	59,526.26	2,393.95	3,520,062.33	48,681.63	21,120.33	3,651,784.50
Less: Disposed assets accumulated depreciation 1/1-31/3/2011	-	-	-	1,181.40	1,441.79	-	2,623.19
Accumulated Depreciation at 31/3/2011	-	1,668,864.48	115,804.31	102,205,082.96	3,275,578.57	2,456,737.08	109,722,067.40
Net book value at :							
1/1/2010	1,797,913.00	4,406,905.57	43,497.94	438,311,134.19	676,282.67	106,093.27	445,341,826.64
31/12/2010	1,797,913.00	4,168,800.54	31,197.82	424,728,769.44	616,107.16	192,034.74	431,534,822.70
31/3/2011	1,797,913.00	4,109,274.28	28,803.87	421,232,308.30	589,676.47	264,444.41	428,022,420.33

9. Investment Property

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

	<u>The Company</u>		<u>Totals</u>
	<u>Land</u>	<u>Buildings</u>	
Cost at 1/1/2010	556,842.00	1,194,801.36	1,751,643.36
Acquisition & Additions 1/1-31/12/2010	-	-	-
Costs at 31/12/2010	556,842.00	1,194,801.36	1,751,643.36
Cost at 1/1/2011	556,842.00	1,194,801.36	1,751,643.36
Acquisition & Additions 1/1-31/3/2011	-	-	-
Costs at 31/3/2011	556,842.00	1,194,801.36	1,751,643.36
Accumulated Depreciation at 1/1/2010	-	247,200.29	247,200.29
Depreciation 1/1-31/12/2010	-	41,200.05	41,200.05
Accumulated Depreciation at 31/12/2010	-	288,400.34	288,400.34
Accumulated Depreciation at 1/1/2011	-	288,400.34	288,400.34
Depreciation 1/1-31/3/2011	-	10,300.01	10,300.01
Accumulated Depreciation at 31/3/2011	-	298,700.35	298,700.35
Net Book Value at 1/1/2010	556,842.00	947,601.07	1,504,443.07
Net Book Value at 31/12/2010	556,842.00	906,401.02	1,463,243.02
Net Book Value at 31/3/2011	556,842.00	896,101.01	1,452,943.01

10. Investments in subsidiaries

Investments in subsidiaries are as follows :

<u>Name</u>	<u>Participation amount</u>	
	<u>31/3/2011</u>	<u>31/12/2010</u>
Kritiki Philoxenia S.A.	3,203,208.19	3,203,208.19
Minoan Escape S.A.	85,197.80	85,197.80
Minoan Italia S.p.a.	120,000.00	120,000.00
Totals	3,408,405.99	3,408,405.99

11. Other Investments

Other investments concern the participation of the Company in Hellenic Seaways S.A. which measured at cost according to IAS 39 clause 54, after the Company's statement of retraction contractually foreseen in the agreement for the sale of the shares, dated May 18th 2009, of the above participation in A.N.E.K. S.A.

12. Inventories

	<u>The Group</u>		<u>The Company</u>	
	<u>31/03/2011</u>	<u>31/12/2010</u>	<u>31/03/2011</u>	<u>31/12/2010</u>
Merchandizes	2,897,320.73	2,465,823.92	2,897,320.73	2,465,823.92
Consumables	8,059,691.98	6,783,223.10	8,059,691.98	6,783,223.10
Totals	10,957,012.71	9,249,047.02	10,957,012.71	9,249,047.02

13. Trade and Other receivables-Other current assets

	<u>Trade and Other Receivables</u>			
	<u>The Group</u>		<u>The Company</u>	
	<u>31/03/2011</u>	<u>31/12/2010</u>	<u>31/03/2011</u>	<u>31/12/2010</u>
Customers – Cheques Receivable	57,678,119.29	54,415,849.74	57,724,766.79	54,462,497.24
Trade receivables due from affiliates and associates	46,454.03	46,454.03	103,374.60	105,902.29
Other Receivables	2,825,874.98	2,344,171.66	2,717,316.81	2,230,766.20
Totals	60,550,448.30	56,806,475.43	60,545,458.20	56,799,165.73

	Other Current Assets			
	The Group		The Company	
	<u>31/03/2011</u>	<u>31/12/2010</u>	<u>31/03/2011</u>	<u>31/12/2010</u>
Prepaid Expenses	6,250,949.02	3,890,394.28	6,250,949.02	3,890,394.28
Accrued Income	6,667,555.71	6,500,009.24	6,645,654.51	6,500,009.24
Totals	12,918,504.73	10,390,403.52	12,896,603.53	10,390,403.52

14. Cash and Cash equivalents

	The Group		The Company	
	<u>31/03/2011</u>	<u>31/12/2010</u>	<u>31/03/2011</u>	<u>31/12/2010</u>
	Cash on hand	226,978.95	275,092.76	226,464.43
Cash in banks and time deposits	4,759,521.61	22,373,696.84	4,480,780.78	22,097,919.96
Totals	4,986,500.56	22,648,789.60	4,707,245.21	22,372,498.20

15. Non – Current assets held for sale

In the Financial Statements at 31/3/2011, non-current assets held for sale include land and buildings of a subsidiary with net book value of € 5,200,000.05, for which a decision for disposal has been taken by the Company's management. This property has been pledged to secure borrowings of the Company.

16. Loans - Short term bank borrowings

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

	<u>Average</u>			<u>Average</u>
	<u>Interest Rate</u>			<u>Interest Rate</u>
	<u>3/2011</u>	<u>31/3/2011</u>	<u>3/2010</u>	<u>31/12/2010</u>
Bond Loan - Agent National Bank of Greece	3.35%	268,656,315.00	2.79%	268,656,315.00
Less : Net book value of transaction costs		-1,182,296.63		-1,214,837.04
Total bond loan		267,474,018.37		267,441,477.96
Less : current portion of long-term loan		-8,517,370.00		-8,517,370.00
Total Long term debt		258,956,648.37		258,924,107.96

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 full early repayment of the loan is permitted. The interest expenses of the above long term debt for the period ended 1/1-31/3/2011 and 1/1-31/3/2010, amounted to € 2,217,981.78 and € 1,234,212.97 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 whose net book value is € 421,232,308.30.

The short term borrowings amounted to € 8,760,000.02 and € 23,248,082.21 at 31/3/2011 and 31/12/2010 respectively, are secured by post dated checks. The average interest rates for the periods 1/1-31/3/2011 and 1/1-31/3/2010 reached 4.93% and 3.42% respectively.

17. Trade and Other payables

	The Group		The Company	
	<u>31/03/2011</u>	<u>31/12/2010</u>	<u>31/03/2011</u>	<u>31/12/2010</u>
	Suppliers – Cheque payables	30,581,242.13	31,946,306.32	30,581,242.13
Income tax payable	1,902,238.31	1,964,972.97	1,867,749.34	1,940,600.89
Withholding taxes-social security contributions payable	2,057,940.21	2,994,981.14	2,056,172.85	2,989,182.92
Dividends payable	550,018.98	552,202.33	550,018.98	552,202.33
Sundry creditors	8,177,959.89	4,647,705.15	8,173,376.17	4,643,967.86
Accrued expenses	4,364,231.62	3,632,068.47	4,364,231.62	3,631,778.75
Customer advances	1,151,747.04	538,992.61	1,151,747.04	538,992.61
Deferred income	12,447,482.99	2,869,343.87	12,447,482.99	2,869,343.87
Totals	61,232,861.17	49,146,572.86	61,192,021.12	49,112,375.55

18. 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) and other revenue, that represent 40.5% and 17.7% of the total annual revenue respectively.

The revenue that results from truck fares represents 41.8% of the total annual revenue and it is evenly earned throughout the year.

The Group

<u>at 31/3/2011</u>	<u>Greece routes</u>	<u>Adriatic routes</u>	<u>Unallocated items</u>	<u>Totals</u>
Revenue	7,737,473.14	19,057,338.02	7,738,970.42	34,533,781.58
Gross Profit / (Loss)	-1,693,325.50	-4,458,976.27	2,946,058.34	-3,206,243.43
Profits / (Losses) before depreciation, taxation, financing and investment costs (E.B.I.T.D.A.)	-455,786.10	-4,473,659.09	721,560.37	-4,207,884.82
Net depreciation	-1,443,425.58	-825,074.01	-1,345,244.50	-3,613,744.09
Losses before taxation, financing and investment costs (E.B.I.T.)	-1,899,211.68	-5,298,733.09	-623,684.14	-7,821,628.91
Financial income	-	-	56,687.79	56,687.79
Financial expense	-679,731.64	-452,170.95	-1,574,457.57	-2,706,360.16
Losses before tax	-2,578,943.32	-5,750,904.04	-2,141,453.92	-10,471,301.28
Income tax expense	-	-	-5,644.31	-5,644.31
Losses after tax	-2,578,943.32	-5,750,904.04	-2,147,098.23	-10,476,945.59
<u>at 31/3/2011</u>				
Total Assets	186,320,596.77	171,348,008.09	244,029,940.39	601,698,545.25
Total Liabilities	88,500,482.33	90,842,589.93	165,436,165.93	344,779,238.19
Capital expenditure	1,688.40	21,733.95	115,959.86	139,382.21
<u>at 31/3/2010</u>				
Revenue	9,488,999.05	19,422,375.91	27,983.30	28,939,358.26
Gross Profit / (Loss)	-1,611,151.68	-4,787,401.20	27,389.34	-6,371,163.54
Profits / (Losses) before depreciation, taxation, financing and investment costs (E.B.I.T.D.A.)	-303,412.96	-3,974,282.49	-3,756,572.34	-8,034,267.79
Net depreciation	-1,599,665.74	-1,745,842.33	-146,576.67	-3,492,084.74
Profits / Losses before taxation, financing and investment costs (E.B.I.T.)	-1,903,078.71	-5,720,124.81	-3,903,149.01	-11,526,352.53
Financial income	-	-	614,404.29	614,404.29
Financial expense	-439,188.88	-509,867.38	-449,481.20	-1,398,537.46
Profits / (Losses) before tax	-2,342,267.59	-6,229,992.19	-3,738,225.92	-12,310,485.70
Income tax expense	-	-	-5,857.40	-5,857.40
Profits / (Losses) after tax	-2,342,267.59	-6,229,992.19	-3,744,083.32	-12,316,343.10
<u>at 31/12/2010</u>				
Total Assets	187,866,550.11	172,703,489.12	254,330,768.92	614,900,808.15
Total Liabilities	92,806,371.40	93,990,896.79	160,707,287.31	347,504,555.50
Capital expenditure	26,474.65	98,707.42	735,795.99	860,978.06

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

- Total profit/loss before depreciation, tax, financing and investing costs, are mainly referred to administrative and selling expenses which cannot 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 relate to liabilities other than loans related to vessels acquisition

19. Related Party transactions

During 2008, the company «GRIMALDI COMPAGNIA DI NAVIGAZIONE S.p.a.» having its registered address in Palermo Italy, acquired the majority of the Company's shares, and thus became the ultimate controlling party exercising control on the Company and the Group.

Related parties are considered the Group of the ultimate parent company, the members of the Board of Directors and management of subsidiaries of the Group, as well as the financially dependent members and first-degree relatives of the members of the Board of Directors and Management, and the associate companies.

Presented in the tables below are the receivable and payable balances between the related parties on March 31st 2011 and December 31st 2010, as well as purchases (services received) and sales (services provided) for the periods 1/1-31/3/2011 and 1/1-31/3/2010 respectively :

19.1 Group of Ultimate Parent Company

31/3/2011

Company	Grimaldi Compagnia di Navigazione S.p.a.	Atlantica di Navigazione S.p.a.	Industria Armamento Meridionale S.p.a.	Finnlines P.I.c.	Grimaldi Tours	Totals
Minoan Lines S.A. (due from)	-	43,006.79	-	854.60	62,804.80	106,666.19
Minoan Lines S.A. (payable to)	2,091,373.72	-	2,703.53	-	-	2,094,077.25

31/12/2010

Company	Grimaldi Compagnia di Navigazione S.p.a.	Atlantica di Navigazione S.p.a.	Industria Armamento Meridionale S.p.a.	Finnlines P.I.c.	Grimaldi Tours	Totals
Minoan Lines S.A. (due from)	10,194.92	1,055,395.14	-	854.60	62,879.80	1,129,324.46
Minoan Lines S.A. (payable to)	-	-	2,703.53	-	-	2,703.53

1/1-31/3/2011

Company	Grimaldi Compagnia di Navigazione S.p.a.	Atlantica di Navigazione S.p.a.	Totals
Minoan Lines S.A.			
Chartering cost	3,095,906.78	-	3,095,906.78
Crew wages cost	19,504.69	-	19,504.69
50% on-board operating result	200,361.85	153,727.14	354,088.99
Bunkers cost	-	88,148.10	88,148.10
Other operating cost	36,637.10	30,627.32	67,264.42
Totals	3,352,410.42	272,502.56	3,624,912.98
Chartering revenue	-	2,988,344.70	2,988,344.70
Other revenue	92,537.47	254,861.17	347,398.64
Totals	92,537.47	3,243,205.87	3,335,743.34

1/1-31/3/2010

Company	Grimaldi Compagnia di Navigazione S.p.a.
Minoan Lines S.A.	
Chartering cost	1,877,049.99
Crew wages cost	28,952.50
Totals	1,906,002.49
50% on-board revenue	156,455.53

19.2 Subsidiaries**31/3/2011**

Company	Minoan Escape S.A.	Kritiki Filoxenia S.A.	Minoan Cruises S.A.	Totals
Minoan Lines S.A. (due from)	755.92	56,009.25	155.40	56,920.57
Athina A.V.E.E. (due from)	-	35,108.74	-	35,108.74

31/12/2010

Company	Minoan Escape S.A.	Kritiki Filoxenia S.A.	Totals
Minoan Lines S.A. (due from)	3,895.07	55,553.19	59,448.26
Athina A.V.E.E. (due from)	-	35,108.74	35,108.74

1/1-31/3/2011

Company	Minoan Escape S.A.	Kritiki Filoxenia S.A.	Minoan Cruises S.A.	Totals
Minoan Lines S.A.				
Revenue from rentals and other	450.00	440.21	150.00	1,040.21
Totals	450.00	440.21	150.00	1,040.21

1/1-31/3/2010

Company	Minoan Escape S.A.	Kritiki Filoxenia S.A.	Minoan Cruises S.A.	Totals
Minoan Lines S.A.				
Revenues from fares	788.00	-	-	788.00
Revenue from rentals and other	10,931.27	440.21	150.00	11,521.48
Totals	11,719.27	440.21	150.00	12,309.48

19.3 Associates**31/3/2011**

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

31/12/2010

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

All the above transactions, as referred in notes 19.1 and 19.2, were entered into at arm's length.

19.4 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>31/03/2011</u>	<u>31/03/2010</u>
Executive directors	125,451.35	126,051.35
Non – executive directors	47,510.50	47,510.50
Management	193,908.38	225,860.95
Totals	366,870.23	399,422.80

Of the total remunerations above for the current period, an amount of € 62,272.38 remains unpaid as at 31/3/2011.

In addition, as at 31/3/2011, an amount of € 129,759.80 is receivable from one of the members of the Board of Directors, resulting from commercial activities.

20. Contingent liabilities

There are no changes in contingent liabilities of the Company and the Group to those referred to the Annual Financial Statements of 2010.

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 - 2010
Minoan Escape S.A.	2010
Minoan Cruises S.A.	2000 - 2010
Kritiki Filoxenia S.A.	2007 - 2010
Athina A.V.E.E.	2007 - 2010
Minoan Italia S.p.a	2009 - 2010
Mediterranean Ferries S.r.l.	2002 - 2010

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.

21. 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, May 27th 2011

The Vice Chairman of the Board

Konstantinos Mamalakis
ID C No AA 367050

The Managing Director

Antonios Maniadakis
ID C No AI 944699

The Head of Accounting

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