



**BLUE STAR MARITIME S.A.**

Review of Financial Results  
for the Six Months ended June 30, 2007  
&  
Interim Financial Statements  
for the period 1-1-2007 to 30-6-2007

Type of certified auditor's review report: Unqualified

(amounts in € thousand)

The Interim Financial Statements and the Review of Financial Results for the period 1-1-2007 to 30-6-2007 were approved by the Board of Directors of Blue Star Maritime S.A. on August 7, 2007.

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**I. REVIEW OF FINANCIAL RESULTS  
FOR THE SIX MONTHS  
ENDED JUNE 30, 2007**

**BLUE STAR MARITIME S.A. GROUP OF COMPANIES  
REVIEW OF FINANCIAL RESULTS  
FOR THE SIX MONTHS ENDED JUNE 30, 2007**

Review of first half 2007 financial results

Blue Star Group significantly improved its financial results for the first half of 2007. Particularly, consolidated revenue stood at Euro 77.53 mln against Euro 62.30 mln in the first half of 2006, an increase of 24.4%. Earnings before taxes, investing and financial results, depreciation and amortization (EBITDA) grew to Euro 20.69 mln against Euro 14.79 mln (39.9% increase) while Earnings after taxes and Minority Interests stood at Euro 9.56 mln considerably increased from Euro 6.24 mln in the same period of the previous year (53.2% increase).

Contributing to the growth in revenue was the marked improvement in total volumes carried in the Dodecanese Islands routes, both in passengers and private vehicles as well as in freight units, due to the deployment of car – passenger ferry Diagoras throughout the first half of 2007. The vessel was acquired in July 2006 and was deployed in August 2006. The increase in revenue is also due to the increase in yield obtained per passenger and vehicle carried in the Cyclades and the Dodecanese routes, following the partial liberalization of the pricing policy in the Greek domestic market routes in May 2006 and the introduction by our Group of a flexible commercial policy matching supply and demand.

Lastly, the improvement in load factors across the Greece – Italy routes, also contributed to the revenue growth, where by executing 46% fewer sailings, after the redeployment of vessel Blue Star 1 in the North Sea route, the Group significantly improved the volumes carried and revenue per sailing compared to the same period last year.

In the Scotland – Belgium route in the North Sea, where Group's vessel Blue Star 1 is deployed since 29<sup>th</sup> of January 2007, load factors have reached particularly high levels while average revenue per passenger, private vehicle and freight unit carried is much higher compared to revenue produced by the same vessel in the Greece – Italy routes in the same period of the previous year.

Operational profitability for the Group (EBITDA) improved by 39.9% mainly due to the significant revenue growth, the slight decrease of fuel oil prices compared to the same period of last year and the deployment of vessels on routes on which they can be fully exploited year-round. Contributing to the improvement of the Group's operational profitability was also the minimal increase in administrative expenses while it should be noted that the cost of sales increased at a slower pace compared to the increase in revenue, thus improving the gross profit margin.

It is worth noting that in the course of the first half of 2007 the Earnings after Taxes and Minority Interests do not include any extraordinary profit from vessels' sales, which in the first half of 2006 stood at Euro 1 mln approximately. This confirms the Group's enhanced financial performance in the present period.

## Balance Sheet and Cash Flow Statement

As regards the Balance Sheet and the Cash Flow Statement, the Group maintained its strong cash position and reduced significantly its long-term liabilities. Furthermore, cash flow from operating activities improved and stood at Euro 6.22 mln against Euro 2.20 mln in the first half of 2006, confirming the sound management of Group's assets.

## Developments in the Group

The most important developments in our Group in the course of the first half of 2007 were:

In January 2007, the vessel Blue Star 1 was redeployed from the Greece-Italy route to the Scotland-Belgium route in the North Sea. Blue Star 1 commenced successfully its service on the route on 29<sup>th</sup> January, 2007.

In March 2007, our Group was voted "Best Shipping Company for traveling to the Greek Islands" by readers of Voyager magazine for second consecutive year. Our Group was specifically awarded top votes by the readers of the magazine across the categories of: Feeling of safety, Cleanliness, Quality of Service, Cabins.

In June 2007, our Group launched a new service connecting the island of Karpathos to the port of Piraeus, operated by car – passenger ferry Blue Star 2, offering departures every Monday from Piraeus to the island of Karpathos and every Tuesday from Karpathos to Piraeus. This connection expands the Group's ports of call and offers service to one more island of the Dodecanese complex. This new service reduces the time required to travel to Karpathos and improves the standard of services offered to islanders and visitors.

In June 2007, the Annual General Meeting of Shareholders decided upon the distribution of dividend for the fiscal year 2006 of Euro 0.09 per share. The payment of dividend began on Monday 9<sup>th</sup> July, 2007.

Also, in June 2007, the Group released its first report regarding the Group's Social Responsibility program that includes the activities that Blue Star Ferries undertook in 2006 and in the first months of 2007 with respect to Corporate Social Responsibility.

## Volumes carried and market analysis

Total volumes for the Group, for the first half stood at 1,602,861 passengers, 218,600 private vehicles and 81,751 freight units. Compared to the same period last year, total volumes carried grew by 2.2% in passengers, by 6.0% in private vehicles and by 15.9% in freight units.

In detail, as far as the Greek domestic market is concerned, the Group's fleet carried 1,502,805 passengers against 1,475,006 the previous year (1.9% increase), 196,759 private vehicles against 195,449 the previous year (0.7% increase) and 58,210 freight units against 49,384 the previous year (17.9% increase) over 15.8% more sailings following mainly the addition of the car-passenger ferry Diagoras to the Dodecanese Islands' routes.

On the Greece – Italy routes, where the Group was present with one vessel throughout the first half, due to the redeployment of vessel Blue Star 1 to the Scotland-Belgium route and over 46% fewer sailings, 55,052 passengers were carried against 92,825 the previous year (40.7% decrease compared to the same period of previous year), 7,076 private vehicles against 10,856 private vehicles (34.8% decrease) and 13,799 freight units against 21,174 freight units (34.8% decrease).

Market shares for the Group on the Greece – Italy routes stood at 6.9% in passengers (44.4% market share decrease), 3.7% in private vehicles (39.3% market share decrease) and 5.9% in freight units (39.8% market share decrease). Market shares are derived from the Greek port authorities of Patras and Igoumenitsa. Market shares decrease in the course of the first half of 2007 is due to the employment of one vessel on the Greece – Italy routes against two vessels in the same period last year.

Lastly on the Scotland-Belgium route, where the Group started trading with the vessel Blue Star 1 as from the 29<sup>th</sup> January, 2007, volumes carried stood at 45,004 passengers, 14,765 private vehicles and 9,742 freight units.

#### Outlook for the current period

Following the positive developments presented above, in terms of financial results as well as regarding the developments on traffic volumes, the Group's management considering the full year operation of vessel Diagoras, the redeployment of vessel Blue Star 1 to the North Sea route, the application of a flexible pricing policy in the Greek domestic market and at the same time awaiting a better summer traffic compared to last year, expects a further improvement in the financial results.

However, it should be mentioned that fuel oil prices keep recording an upward trend. An indicative evidence of this situation is the fact that fuel oil prices for July 2007 have already exceeded previous year's record high prices as posted in July 2006. Such a development continues, it will be a restraining factor for Group's performance.

The Group's management will continue to examine the development of new routes and the strengthening of the existing ones in the International and Greek domestic market, through the acquisition or building of modern conventional vessels, provided that suitable market conditions develop. The Group's management is in contact with shipyards for building new vessels.

Voula, August 6, 2007

**II. INTERIM FINANCIAL STATEMENTS  
for the period 1/1 – 30/6/2007**

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## REPORT ON REVIEW OF INTERIM INFORMATION

### To the Shareholders of “Blue Star Maritime SA”

#### **Introduction**

We have reviewed the accompanying Balance Sheet of “Blue Star Maritime SA” (the “Company”) and the accompanying Consolidated Balance Sheet of the Company and its subsidiaries (the “Group”) as of 30 June 2007, the related Statements of Income, Changes in Equity and Cash Flows of the Company and the Group for the six-month period then ended and selected explanatory notes. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Accounting Standards as adopted by the European Union and applied in interim financial reporting (“IAS 34”). Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

#### **Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410 “Review of Interim Financial Information performed by the Independent Auditor of the Entity”, to which the Greek Auditing Standards refer. 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 Greek Auditing Standards and consequently 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.

#### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with IAS 34.

#### **Report on Other Legal and Regulatory Requirements**

In our opinion, the content of the interim report of the Board of Directors for the six month period is in agreement with the aforementioned financial statements.

Athens, 8 August 2007  
The Certified Public Accountant

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### INCOME STATEMENT

For the period ended June 30, 2007 & 2006 and for the quarterly period 1/4 - 30/6 2007 & 2006

		<b>GROUP</b>			
	<b>Notes</b>	<b>1/1-30/6/07</b>	<b>1/1-30/6/06</b>	<b>1/4-30/6/07</b>	<b>1/4-30/6/06</b>
Revenue	(5.1)	77.535	62.303	49.080	41.118
Cost of sales	(5.2)	(50.140)	(42.428)	(27.481)	(23.412)
<b>Gross Profit/(loss)</b>		<b>27.395</b>	<b>19.875</b>	<b>21.599</b>	<b>17.706</b>
Other operating income	(5.3)	54	149	32	44
Administrative expenses	(5.4)	(4.497)	(4.201)	(2.437)	(2.602)
Distribution expenses	(5.5)	(9.315)	(7.244)	(5.893)	(4.923)
<b>Earnings before taxes, investing and financial results</b>		<b>13.637</b>	<b>8.579</b>	<b>13.301</b>	<b>10.225</b>
Dividends from subsidiaries and other entities					
Interest & other similar income	(5.6)	853	583	494	327
Interest and other financial expenses	(5.6)	(4.768)	(4.025)	(2.223)	(2.098)
Foreign exchange differences	(5.6)	(144)	233	(153)	27
Financial results		(4.059)	(3.209)	(1.882)	(1.744)
Profit/(loss) from vessels' disposal			1.022		(54)
<b>Profit/(loss) before taxes</b>		<b>9.578</b>	<b>6.392</b>	<b>11.419</b>	<b>8.427</b>
Taxes	(5.7)	(22)	(155)	(10)	(141)
<b>Profit/(loss) after taxes</b>		<b>9.556</b>	<b>6.237</b>	<b>11.409</b>	<b>8.286</b>
<u>Attributable as follows:</u>					
Company Shareholders		9.556	6.237	11.409	8.286
Minority Interests in subsidiaries					
<b>Earnings After Taxes per Share - Basic (in €)</b>		<b>0,09</b>	<b>0,06</b>	<b>0,11</b>	<b>0,08</b>

The Notes on pages 11 to 33 are an integral part of these Interim Financial Statements.

### INCOME STATEMENT

For the period ended June 30, 2007 & 2006 and for the quarterly period 1/4 - 30/6 2007 & 2006

		<b>COMPANY</b>			
<b>Notes</b>		<b>1/1-30/6/07</b>	<b>1/1-30/6/06</b>	<b>1/4-30/6/07</b>	<b>1/4-30/6/06</b>
	Revenue	(5.1) 21.724	12.835	12.476	7.990
	Cost of sales	(5.2) (16.624)	(11.468)	(9.068)	(6.063)
	<b>Gross Profit/(loss)</b>	<b>5.100</b>	<b>1.367</b>	<b>3.408</b>	<b>1.927</b>
	Other operating income	(5.3) 26	37	4	33
	Administrative expenses	(5.4) (2.153)	(1.994)	(1.184)	(1.273)
	Distribution expenses	(5.5) (2.415)	(1.353)	(1.452)	(809)
	<b>Earnings before taxes, investing and financial results</b>	<b>558</b>	<b>(1.943)</b>	<b>776</b>	<b>(122)</b>
	Dividends from subsidiaries and other entities		7.827		7.827
	Interest & other similar income	(5.6) 2	31	1	
	Interest and other financial expenses	(5.6) (533)	(464)	(79)	(255)
	Foreign exchange differences	(5.6) (57)	230	(61)	26
	Financial results	(588)	7.624	(139)	7.598
	Profit/(loss) from vessels' disposal		1.081		(54)
	<b>Profit/(loss) before taxes</b>	<b>(30)</b>	<b>6.762</b>	<b>637</b>	<b>7.422</b>
	Taxes	(5.7) (11)	(59)	(5)	(53)
	<b>Profit/(loss) after taxes</b>	<b>(41)</b>	<b>6.703</b>	<b>632</b>	<b>7.369</b>
 <u>Attributable as follows:</u>					
	Company shareholders	(41)	6.703	632	7.369
	Minority interests in subsidiaries				
	<b>Earnings after taxes Per Share - basic (in €)</b>	<b>(0,00)</b>	<b>0,06</b>	<b>0,01</b>	<b>0,07</b>

The Notes on pages 11 to 33 are an integral part of these Interim Financial Statements.

**BALANCE SHEET**

As at 30th of June 2007 and at December 31, 2006

	Notes	GROUP		COMPANY	
		30/6/2007	31/12/2006	30/6/2007	31/12/2006
<b>ASSETS</b>					
<b>Non-current assets</b>					
Tangible assets	(5.8)	334.367	339.193	39.963	42.520
Intangible Assets	(5.9)	1.459	1.603	981	1.087
Investments in subsidiaries-associated companies	(3)+(5.10)			228.738	228.738
Non-Current Receivables	(5.11)	66	66	53	51
		<u>335.892</u>	<u>340.862</u>	<u>269.735</u>	<u>272.396</u>
<b>Current assets</b>					
Inventories	(5.12)	1.558	1.584	606	651
Trade receivables and prepayments	(5.13)	43.925	28.727	3.362	3.070
Tax receivables	(5.14)	371	152	178	79
Receivables from subsidiaries-associated companies	(5.15)			123.544	98.381
Other receivables	(5.16)	3.023	1.678	571	173
Financial assets held for trading					
Cash and cash equivalents	(5.17)	39.414	42.241	494	907
Deferred expenses	(5.18)	7.506	5.072	2.203	1.726
Accrued income					
		<u>95.797</u>	<u>79.454</u>	<u>130.958</u>	<u>104.987</u>
Non-current assets classified as held for sale	(5.19)	2.523	1.698	2.523	1.698
<b>Total assets</b>		<u><b>434.212</b></u>	<u><b>422.014</b></u>	<u><b>403.216</b></u>	<u><b>379.081</b></u>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share Capital	(5.20)	105.000	105.000	105.000	105.000
Reserves	(5.20)	70.365	70.365	69.524	69.524
Retained Earnings	(5.20)	39.762	39.667	510	10.008
<b>Total Shareholders equity</b>		<u><b>215.127</b></u>	<u><b>215.032</b></u>	<u><b>175.034</b></u>	<u><b>184.532</b></u>
<b>Minority interests in subsidiaries</b>					
<b>Total equity</b>		<u><b>215.127</b></u>	<u><b>215.032</b></u>	<u><b>175.034</b></u>	<u><b>184.532</b></u>
<b>Non-current liabilities</b>					
Secured loans	(5.21)	168.932	175.682	7.929	8.429
Finance leases	(5.22)	172	304	172	304
Deferred tax liabilities	(5.23)	19	19	4	4
Retirement benefit provisions	(5.24)	552	502	231	214
Provisions	(5.25)	400	250	400	250
		<u>170.075</u>	<u>176.757</u>	<u>8.736</u>	<u>9.201</u>
<b>Current liabilities</b>					
Bank loans and overdrafts					
Current portion of long term liabilities		13.500	13.500	1.000	1.000
Trade and other payables	(5.26)	29.457	14.014	15.519	4.486
Payables to subsidiaries-associated companies	(5.27)			202.051	179.213
Tax liabilities	(5.28)	2.341	1.175	519	363
Accrued expenses	(5.29)	3.712	1.536	357	286
		<u>49.010</u>	<u>30.225</u>	<u>219.446</u>	<u>185.348</u>
<b>Total equity and liabilities</b>		<u><b>434.212</b></u>	<u><b>422.014</b></u>	<u><b>403.216</b></u>	<u><b>379.081</b></u>

The Notes on pages 11 to 33 are an integral part of these Interim Financial Statements.

### Statement of Changes in Equity

For the Period 1/1-30/6/2007

#### GROUP

	Share Capital	Share Premium	Other Reserves	Retained Earnings	Total Shareholders equity	Minority interests in subsidiaries	Total Equity
<b>Balance at 1 January 2007</b>	<b>105.000</b>	<b>73.490</b>	<b>(3.125)</b>	<b>39.667</b>	<b>215.032</b>		<b>215.032</b>
Changes in Equity for the Period 1/1-30/6/2007				(11)	(11)		(11)
Net Profit for the Period 1/1-30/6/2007				9.556	9.556		9.556
Dividends				(9.450)	(9.450)		(9.450)
<b>Balance at 30 June 2007</b>	<b>105.000</b>	<b>73.490</b>	<b>(3.125)</b>	<b>39.762</b>	<b>215.127</b>		<b>215.127</b>

#### COMPANY

	Share Capital	Share Premium	Other Reserves	Retained Earnings	Total Shareholders equity	Minority interests in subsidiaries	Total Equity
<b>Balance at 1 January 2007</b>	<b>105.000</b>	<b>73.490</b>	<b>(3.966)</b>	<b>10.008</b>	<b>184.532</b>		<b>184.532</b>
Changes in Equity for the Period 1/1-30/6/2007				(7)	(7)		(7)
Net Profit for the Period 1/1-30/6/2007				(41)	(41)		(41)
Dividends				(9.450)	(9.450)		(9.450)
<b>Balance at 30 June 2007</b>	<b>105.000</b>	<b>73.490</b>	<b>(3.966)</b>	<b>510</b>	<b>175.034</b>		<b>175.034</b>

**Statement of Changes in Equity**

For the Period 1/1-30/6/2006

**GROUP**

	Share Capital	Share Premium	Other Reserves	Retained Earnings	Total Shareholders equity	Minority interests in subsidiaries	Total Equity
<b>Balance at 1 January 2006</b>	<b>105.000</b>	<b>73.490</b>	<b>(4.135)</b>	<b>26.264</b>	<b>200.619</b>		<b>200.619</b>
Changes in Equity for the Period 1/1-30/6/2006							
Net Profit for the Period 1/1-30/6/2006				6.237	6.237		6.237
Dividends				(7.350)	(7.350)		(7.350)
<b>Balance at 30 June 2006</b>	<b>105.000</b>	<b>73.490</b>	<b>(4.135)</b>	<b>25.151</b>	<b>199.506</b>		<b>199.506</b>

**COMPANY**

	Share Capital	Share Premium	Other Reserves	Retained Earnings	Total Shareholders equity	Minority interests in subsidiaries	Total Equity
<b>Balance at 1 January 2006</b>	<b>105.000</b>	<b>73.490</b>	<b>(4.298)</b>	<b>8.334</b>	<b>182.526</b>		<b>182.526</b>
Changes in Equity for the Period 1/1-30/6/2006							
Net Profit for the Period 1/1-30/6/2006				6.703	6.703		6.703
Dividends				(7.350)	(7.350)		(7.350)
<b>Balance at 30 June 2006</b>	<b>105.000</b>	<b>73.490</b>	<b>(4.298)</b>	<b>7.687</b>	<b>181.879</b>		<b>181.879</b>

### CASH FLOW STATEMENT

For the period 1/1-30/6 2007 & 2006

	Notes	GROUP		COMPANY	
		1/1-30/6/2007	1/1-30/6/2006	1/1-30/6/2007	1/1-30/6/2006
<b><u>Cash flow from Operating Activities</u></b>					
Profit Before Taxes		9.578	6.392	(30)	6.762
<b>Adjustments for:</b>					
Depreciation & amortization	(5.8)	7.052	6.212	2.035	1.297
Provisions		1.369	1.328	355	311
Foreign exchange differences	(5.6)	144	(233)	57	(230)
Net (profit)/Loss from investing activities		(853)	(1.678)	(2)	(8.953)
Interest and other financial expenses	(5.6)	4.768	4.025	533	464
<b>Plus or minus for Working Capital changes :</b>					
Decrease/(increase) in Inventories		26	(155)	45	(73)
Decrease/(increase) in Receivables		(19.185)	(31.316)	(26.457)	275.246
(Decrease)/increase in Payables (excluding banks)		7.931	21.455	24.378	(281.612)
Less:					
Interest and other financial expenses paid		(4.587)	(3.559)	(379)	(82)
Taxes paid		(22)	(271)	(11)	(115)
<b>Total cash inflow/(outflow) from operating activities (a)</b>		<b>6.221</b>	<b>2.200</b>	<b>524</b>	<b>(6.985)</b>
<b><u>Cash flow from Investing Activities</u></b>					
Acquisition of subsidiaries, associated companies, joint ventures and other investments					
Purchase of tangible and intangible assets	(5.8)+(5.9)	(2.909)	(590)	(197)	(278)
Proceeds from sale of tangible and intangible assets			2.943		2.943
Interest received	(5.6)	853	583	2	31
Dividends received					7.827
<b>Total cash inflow/(outflow) from investing activities (b)</b>		<b>(2.056)</b>	<b>2.936</b>	<b>(195)</b>	<b>10.523</b>
<b><u>Cash flow from Financing Activities</u></b>					
Proceeds from issue of Share Capital					
Proceeds from Borrowings					
Payments of Borrowings	(5.17)	(6.750)	(8.469)	(500)	(2.219)
Payments of finance lease liabilities	(5.17)	(242)	(203)	(242)	(138)
Dividends paid					
<b>Total cash inflow/(outflow) from financing activities (c)</b>		<b>(6.992)</b>	<b>(8.672)</b>	<b>(742)</b>	<b>(2.357)</b>
<b>Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)</b>		<b>(2.827)</b>	<b>(3.536)</b>	<b>(413)</b>	<b>1.181</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>42.241</b>	<b>49.225</b>	<b>907</b>	<b>8.915</b>
<b>Cash and cash equivalents at end of period</b>		<b>39.414</b>	<b>45.689</b>	<b>494</b>	<b>10.096</b>

The method used for the preparation of the above Cash Flow Statement is the Indirect Method.

Cash and cash equivalents analysis is presented in paragraph 5.17

The Notes on pages 11 to 33 are an integral part of these Interim Financial Statements.

## **NOTES TO THE INTERIM FINANCIAL STATEMENTS**

### **1. General information**

Blue Star Maritime S.A. is a Company which operates exclusively in passenger shipping.

The headquarters of the Company are in Athens, Greece, C. Karamanli Avenue 157, 16673, Voula.

The number of employees, at period end, was 269 for the parent company and 719 for the Group, while at 30/6/2006 was 176 and 627 respectively.

Blue Star Maritime S.A. shares are listed in the Athens Stock Exchange under the code BSTAR.

The corresponding code under Bloomberg is BSTAR GA and under Reuters is STR.AT.

The total number of common bearer shares outstanding as at 30 June 2007 was 105.000.000. Each share carries one voting right. The total market capitalization amounted to € 441.000 thousand.

The financial statements of Blue Star Maritime S.A. are included in the consolidated financial statements of Attica Holdings S.A. which owns 48,795% of the share capital of Blue Star Maritime S.A.

The interim financial statements of the Company and the Group for the period ended June 30, 2007 were approved by the Board of Directors on August 7, 2007.

*Due to rounding there may be minor differences in some amounts.*

### **2. Significant Group accounting policies**

The accounting policies used by the Group for the preparation of the financial statements for the period 1/1-30/6/2007 are the same with those used for the preparation of the financial statements for the fiscal year 2006.

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) which have been issued by the International Accounting Standards Board (IASB) and the interpretations which have been issued by the International Financial Reporting Interpretations Committee as adopted by the European Union. More specifically, for the preparation of the current period's Financial Statements the Group has applied IAS 34 "Interim Financial Reporting".

In addition, the Group has prepared the financial statements in compliance with the historical cost principle, the going concern principle, the accrual basis principle, the consistency principle, the materiality principle and the accrual basis of accounting.

The preparation of the financial statements calls for the use of estimates and assumptions which must be in line with the provisions of generally accepted accounting principles. The above estimates are based on the knowledge and the information available to the Management of the Group until the date of approval of the financial statements for the period ended June 30, 2007.

2.1. Adoption of new IFRS and Interpretations from 1/1/2007

International Accounting Standards Board (IASB) and International Financial Reporting Interpretations Committee (IFRIC) have issued new Standards and Interpretations, the implementation of which is mandatory for accounting periods starting from January 1, 2007 or subsequently.

The view of the Management of the Group about the effect of the application of these new Standards and Interpretations, on the financial statements of the Company and the Group, is set out below:

2.1.1. IFRS 7 Financial Instruments: Disclosures and supplementary adjustment of IAS 1, Presentation of Financial Statements, Capital Disclosures.

IFRS 7 requires further disclosures about:

a) the significance of financial instruments for the entity's financial position and performance,

b) qualitative and quantitative information about the exposure to risks arising from financial instruments, including minimum determined disclosures about credit risk, liquidity risk and market risk.

IFRS 7 replaces IAS 30 and the disclosures required by IAS 32.

The presentation requirements of IAS 32 remain unaltered.

The Group will implement IFRS 7 and the amendment of IAS 1 on the annual financial statements of the fiscal year which begins on 1/1/2007.

2.1.2. Interpretation 7, Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies.

Interpretation 7 requires entities to apply IAS 29 in the reporting period in which an entity first identifies the existence of hyperinflation in the economy of its functional currency, as if the economy had always been hyperinflationary.

The above interpretation is not applicable to the operations of the Company and the Group.

2.1.3. Interpretation 8, Application scope of IFRS 2  
Share-based payment.

Interpretation 8 clarifies that IFRS 2 will apply to any arrangement when equity instruments are granted or liabilities (based on the value of an entity's equity instrument) are incurred by an entity, when the identifiable consideration appears to be less than the fair value of the instruments given.

The above interpretation is not applicable to the operations of the Company and the Group.

2.1.4. Interpretation 9, Reassessment of Embedded Derivatives

Interpretation 9 requires an entity to assess whether a contract contains an embedded derivative at the date an entity first becomes a party to the contract and prohibits reassessment unless there is a change to the contract that significantly modifies the cash flows.

The above interpretation is not applicable to the operations of the Company and the Group.

2.1.5. Interpretation 10, Interim Financial reporting and Impairment

Interpretation 10 requires that, an entity shall not reverse an impairment loss recognised in a previous interim period in respect of goodwill or an investment in either an equity instrument or a financial asset carried at cost.

This Interpretation has not been adopted by the European Union.

2.1.6. Interpretation 11, Application scope of IFRS 2  
Group and Treasury Share Transactions.

For the scope of accounting treatment, the transactions in which employees are granted rights to equity instruments, are regarded as equity settled- share based payments even in the case in which the company chooses or has the obligation to buy such equity instruments from third parties.

The same principle is followed in the financial statements of the parent company, when employees of its subsidiaries are granted rights to equity instruments of the parent company.

The above interpretation is not applicable to the operations of the Company and the Group.

## 2.2. Adoption of new or revised IFRS on and after 1/1/2008

### 2.2.1. IFRS 8 Operating Segments

The Group will implement on 1/1/2009 IFRS 8 “Operating Segments”, which replaces IAS 14 “Segment Reporting” and requires the information disclosed to the users of the financial statements to be the same with those that the management uses internally in order to assess each segment’s performance.

### 2.2.2. IAS 23 Borrowing Costs (Revised)

The revised IAS 23 provides that any entity will capitalize the borrowing cost to the extent that is attributable to the acquisition, construction or production of an asset and shall be capitalized as part of the cost of that asset.

Any other cost should be recognized as an expense in the period in which it is incurred.

The Group will not be affected by the revision of IAS 23 because it already applies the alternative treatment for the recognition of the borrowing cost which was provided by the previous version of IAS 23. This treatment is the same treatment that is provided by the revised IAS 23.

### 2.2.3. Interpretation 12, Service Concession Arrangements (is applicable for annual periods beginning on or after 1 January 2008).

Interpretation 12 deals with the way service concession operators should apply existing IFRS to account for the rights and obligations they undertake in service concession arrangements. In accordance with this Interpretation the operators should not recognise the relevant infrastructure as tangible assets, but should recognise a financial asset or an intangible asset. Interpretation 12 is not applicable to the operations of the Group.

## 3. Consolidation

The following fully owned subsidiaries are being consolidated using the full consolidation method.

<u>Company Name</u>	Value at		Net Book		Registered in	Participation
	31/12/2006	Impairment	Value			
BLUE STAR FERRIES MARITIME S.A.	228.684		228.684		GREECE	100%
BLUE STAR FERRIES S.A.	1		1		LIBERIA	100%
STRINTZIS LINES SHIPPING LTD	50		50		CYPRUS	100%
WATERFRONT NAVIGATION COMPANY	1		1		LIBERIA	100%
THELMO MARINE S.A.	1		1		LIBERIA	100%
BLUE ISLAND SHIPPING INC.	1		1		PANAMA	100%
Total	228.738		228.738			

In addition Blue Star Ferries Joint Venture, a company under common management, is being consolidated using the full consolidation method.

The companies, Strintzis Lines Shipping Ltd, Waterfront Navigation Company, Thelmo Marine S.A. and Blue Island Shipping Inc. are inactive.

#### **4. Related Party disclosures**

##### **4.1. Intercompany transactions**

During the first half of 2007, Blue Star Maritime S.A. didn't post any intercompany transactions with its subsidiaries that create commercial revenue.

Furthermore, during the current period, there were not any capital transactions among the Group's companies or with the parent company Attica Holdings S.A., which holds 48,795% of company's share capital.

BLUE STAR Group purchased tourism related services amounting € 498 thousand from ATTICA PREMIUM S.A. which is 100% subsidiary of ATTICA HOLDINGS S.A. These services were purchased at regular market prices.

The Group's receivables from its indirectly related entities for the period 1/1 - 30/6/2007 stood at € 12.021 thousand.

The intercompany balances arising between BLUE STAR MARITIME S.A. and the other Group's entities do not originate from commercial activities.

The intercompany balances at 30/6/2007 between BLUE STAR MARITIME S.A. and the Group's companies are presented in the following table.



**Intercompany Balances of Blue Star Group**

COMPANY	THELMO MARINE S.A.		WATERFRONT NAVIGATION CO.		BLUE STAR FERRIES S.A.		STRINTZIS LINES SHIPPING LTD.	
	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT
BLUE STAR MARITIME S.A.		68		1	58.806	89.239	10.935	
THELMO MARINE S.A.					8			
WATERFRONT NAVIGATION CO.								
STRINTZIS LINES SHIPPING LTD.					9.650	1		
BLUE STAR FERRIES MARITIME S.A.					108.423	54.925		10
BLUE STAR FERRIES S.A.		8					1	9.650
BLUE STAR FERRIES JOINT VENTURE					1.499			798
BLUE ISLAND SHIPPING INC.					1.054	98		488
<b>TOTAL</b>		<b>76</b>		<b>1</b>	<b>179.440</b>	<b>144.263</b>	<b>10.936</b>	<b>10.946</b>

COMPANY	BLUE STAR MARITIME S.A.		BLUE STAR FERRIES JOINT VENTURE		BLUE STAR FERRIES MARITIME S.A.		BLUE ISLAND SHIPPING INC.	
	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT
BLUE STAR MARITIME S.A.			53.236	112.560	127	182	440	
THELMO MARINE S.A.	68							
WATERFRONT NAVIGATION CO.	1							
STRINTZIS LINES SHIPPING LTD.		10.935	798		10		488	
BLUE STAR FERRIES MARITIME S.A.	182	127	213.007	125.280				
BLUE STAR FERRIES S.A.	89.239	58.806		1.499	54.925	108.423	98	1.054
BLUE STAR FERRIES JOINT VENTURE	112.560	53.236			125.280	213.007		
BLUE ISLAND SHIPPING INC.		440						
<b>TOTAL</b>	<b>202.050</b>	<b>123.544</b>	<b>267.041</b>	<b>239.339</b>	<b>180.342</b>	<b>321.612</b>	<b>1.026</b>	<b>1.054</b>

Reconciliation of Intercompany Balances

Total debit :	840.835
Total credit :	<u>840.835</u>
Balance	0

4.2. Participation of the members of the Board of Directors to the Board of Directors of other companies

There are no changes from what is referred in the annual Financial Statements of fiscal year 2006.

Office rent paid by the Group to Odyssey Maritime Inc. and Pellucid Trade Inc., companies controlled by Pericles Panagopoulos family, for the period 1/1-30/6/07 totaled an amount of € 49 thousand.

4.3. Guarantees

The parent company has guaranteed the repayment of the bond loan of its 100% subsidiary company Blue Star Ferries Maritime S.A.

4.4. Board of Directors and Executive Directors' Fees

Executive Directors' Fees for the current period (Managing Director, Authorized Director, Financial Director, Sales Director, Technical Director, Hotel Director) totaled an amount of € 389 thousand.

5. Financial statements analysis

The figures of the period 1/1 – 30/6/2007 are not fully comparable with the corresponding figures of the previous year because on the one hand car passenger ferry Diagoras was acquired in July 2006 and therefore didn't operate in the first half of 2006 and on the other hand due to the redeployment of the vessel Blue Star 1 from the Adriatic Sea to the North Sea in January 2007.

5.1. Revenue Analysis and Geographical Segments Report

The Group has decided to provide information based on the geographical segmentation of its operations.

The Group operates in the Greek Domestic Routes, in Adriatic Sea and in North Sea. The Group's vessels provide transportation services to passengers, private vehicles and freight.

Seasonality

The Group's sales are highly seasonal. The highest traffic for passengers and vehicles is observed during the months July, August and September while the lowest traffic for passengers and vehicles is observed between November and February. On the other hand, freight sales are not affected significantly by seasonality.

The consolidated results and other information per segment for the period 1/1 – 30/6 2007 and 2006 are as follows:

Geographical Segment	GROUP							
	1/1-30/6/2007				1/1-30/6/2006			
	Domestic Routes	Adriatic Sea	North Sea	Total	Domestic Routes	Adriatic Sea	North Sea	Total
Revenue from Fares	53.901	7.533	10.321	71.754	44.814	12.212		57.026
On-board Sales	3.772	1.326	683	5.781	3.117	2.160		5.277
<b>Total Revenue</b>	<b>57.673</b>	<b>8.859</b>	<b>11.004</b>	<b>77.535</b>	<b>47.931</b>	<b>14.372</b>		<b>62.303</b>
Gross profit/(loss)	23.803	1.767	1.825	27.395	19.579	296		19.875
Financial results	(2.620)	(277)	(1.162)	(4.059)	(2.113)	(1.096)		(3.209)
Earnings before taxes, investing and financial results, depreciation and amortization	18.779	557	1.354	20.689	15.222	(430)		14.791
Profit/(Loss) before Taxes	11.425	(459)	(1.388)	9.578	9.970	(3.578)		6.392
Profit/(Loss) after Taxes	11.425	(471)	(1.399)	9.556	9.874	(3.637)		6.237
Vessels' Book Value at 01/01	228.139	109.896		338.035	217.972	114.168		332.140
Improvements / Additions	1.441		1.309	2.750	403			403
Vessels' Disposals					(1.815)			(1.815)
Vessels' Redeployment		(88.620)	88.620					
Depreciation for the Period	(4.505)	(681)	(1.521)	(6.706)	(3.871)	(1.976)		(5.847)
<b>Net Book Value of vessels at 30/06</b>	<b>225.075</b>	<b>20.595</b>	<b>88.409</b>	<b>334.079</b>	<b>212.689</b>	<b>112.192</b>		<b>324.881</b>
Secured loans	111.234	14.018	43.680	168.932	111.374	62.176		173.550

Revenue from Fares in Domestic routes includes the grants received for public services performed under contracts with the Ministry of Mercantile Marine and the Ministry of Aegean and Island Policy amounting € 1.729 thousand for the period 1/1 – 30/6/2007 and € 895 thousand for the period 1/1 – 30/6/2006.

Geographical Segment	COMPANY					
	1/1-30/6/2007			1/1-30/6/2006		
	Domestic Routes	Adriatic Sea	Total	Domestic Routes	Adriatic Sea	Total
Revenue from Fares	11.875	7.533	19.408	5.014	6.287	11.301
On-board Sales	991	1.325	2.316	428	1.106	1.534
Total Revenue	12.866	8.858	21.724	5.442	7.393	12.835
Gross profit/(loss)	3.333	1.767	5.100	620	747	1.367
Financial results	(311)	(277)	(588)	3.594	4.030	7.624
Earnings before taxes, investing and financial results, depreciation and amortization	2.035	557	2.592	(648)	2	(646)
Profit/(Loss) before Taxes	429	(459)	(30)	3.417	3.345	6.762
Profit/(Loss) after Taxes	430	(471)	(41)	3.386	3.317	6.703
Vessels' Book Value at 01/01	20.134	21.277	41.411	3.486	22.640	26.126
Improvements / Additions	66		66	173		173
Vessels' Disposals				(1.815)		(1.815)
Depreciation for the Period	(1.080)	(681)	(1.760)	(355)	(681)	(1.036)
Net Book Value of vessels at 30/06	19.120	20.596	39.717	1.489	21.959	23.448
Secured loans	7.929		7.929			

Revenue from Fares in Domestic routes includes the grants received for public services performed under contracts with the Ministry of Mercantile Marine and the Ministry of Aegean and Island Policy amounting € 343 thousand for the period 1/1 – 30/6/2007.

There are no transactions related to income and expenses between segments.

The vessels' values represent the tangible assets in the geographical segments where the vessels operate in.

Secured loans are the Bond Loans issued by the Group for the acquisition and construction of vessels.

The Revenues that appear in the Group's Interim Financial Statements for the period 1/1 – 30/6/2007 belong to the following Business Activity Categories:

Sea & Coastal Transportation	71.754
Restaurants on board	1.102
Bars on board	3.949
Casino on board	248
Shops on board	482
Total	<u>77.535</u>

## 5.2. Cost of sales

Below can be obtained the Cost of Sales analysis as stated in the Income Statement for the period ended 30/6 2007 and 2006.

	GROUP		COMPANY	
	1/1-30/6/2007	1/1-30/6/2006	1/1-30/6/2007	1/1-30/6/2006
Crew Expenses	13.419	10.364	5.179	2.949
Fuel-Lubricants	16.571	15.672	5.097	4.008
Insurance Premia	1.041	914	305	196
Repairs-Maintenance-Spare Parts	8.294	6.429	2.738	2.086
Port Expenses	3.471	2.277	1.131	862
On-board Cost of Goods Sold	638	925	414	332
Vessels depreciation	6.706	5.847	1.760	1.035
<b>Total</b>	<b>50.140</b>	<b>42.428</b>	<b>16.624</b>	<b>11.468</b>

## 5.3. Other Operating Income

The item "Other Operating Income", amounting € 54 thousand for the Group and € 26 thousand for the company, refer mainly to income received by insurance claims.

## 5.4. Administrative Expenses

	GROUP		COMPANY	
	1/1-30/6/2007	1/1-30/6/2006	1/1-30/6/2007	1/1-30/6/2006
Personnel Expenses	2.754	2.557	1.081	953
Rent and related Expenses	322	292	225	205
Telecommunication Expenses	39	34	15	18
Stationery	33	12	9	2
Office Repair-Maintenance Expenses	380	214	129	54
Third Party Services & Expenses	302	277	208	229
Office depreciation	346	365	274	262
Other	321	450	212	271
<b>Total</b>	<b>4.497</b>	<b>4.201</b>	<b>2.153</b>	<b>1.994</b>

## 5.5. Distribution Expenses

	GROUP		COMPANY	
	1/1-30/6/2007	1/1-30/6/2006	1/1-30/6/2007	1/1-30/6/2006
Advertising Expenses	1.756	1.110	582	261
Sales Promotional Expenses	41	29	26	14
Sales Commissions	6.779	5.413	1.717	935
Other	739	692	90	143
<b>Total</b>	<b>9.315</b>	<b>7.244</b>	<b>2.415</b>	<b>1.353</b>

## 5.6. Financial Results

- a) Interest and similar Income  
The Group has invested its cash in time deposits with an average interest rate of 3,8%, net of taxes.
- b) Interest and Other Financial Expenses  
They refer mainly to the interest paid on loans.
- c) Foreign Exchange Differences  
They were created from the revaluation at 30/6/2007 of the balances of the cash and cash equivalents, receivables and payables in foreign currencies.

The analysis of the financial results is the following:

	GROUP		COMPANY	
	1/1-30/6/2007	1/1-30/6/2006	1/1-30/6/2007	1/1-30/6/2006
Interest on Long-Term Borrowings				
Interest on Bonds	(4.558)	(3.840)	(367)	(381)
Interest on Short-Term Borrowings				
Other Financial Expenses	(210)	(185)	(166)	(83)
Interest Income	853	583	2	31
Dividend Income				7.827
Foreign Exchange Differences	(144)	233	(57)	230
<b>Total</b>	<b>(4.059)</b>	<b>(3.209)</b>	<b>(588)</b>	<b>7.624</b>

Interest on Bonds include profit of € 305 thousand that arised from the interest rate hedging contract of the Group.

## 5.7. Income taxes

Special taxation policies apply on the Group's profits. Consequently, it is believed that the following analysis provides a better understanding of the income taxes.

	GROUP	COMPANY
	1/1-30/6/2007	1/1-30/6/2007
Dividend distribution Tax		
Tax according to Law 27/75	22	11
Provision for unaudited fiscal years		
<b>Total</b>	<b>22</b>	<b>11</b>

The Group's companies have been audited by tax authorities until fiscal year 2005. A tax provision for the unaudited fiscal year 2006, amounting € 30 thousand has already been posted in 2006 financial results.

5.8. Tangible assets

The vessels of the Company and the Group have been mortgaged as security of the long-term borrowings for the amount of € 12 mil. and € 212 mil. approximately respectively.

There is no indication of impairment for the below-mentioned tangible assets.

The depreciation analysis can be found in the following table.

	<b>GROUP</b>		<b>COMPANY</b>	
	1/1-30/6/2007	1/1-30/6/2006	1/1-30/6/2007	1/1-30/6/2006
Vessels	6.706	5.847	1.760	1.035
Office	346	365	275	262
<b>Total</b>	<b>7.052</b>	<b>6.212</b>	<b>2.035</b>	<b>1.297</b>

## 5.8 Tangible Assets

### Consolidated Figures

	Vessels	Land	Buildings	Furniture & Other Fixtures	Improvements In Third Parties Property	Vehicles	Fixed Assets Under Construction	Total
Initial Cost at 1.1.2007	395.968	274	765	1.999	387	31		399.424
Acquisitions - Additions	2.750			63				2.813
Disposals / Write-offs		(274)	(765)					(1.039)
Adjustments-Impairments added to the Net Equity								
Adjustments-Impairments added to the Income Statement								
Cost at 30.6.2007	398.718	0	0	2.062	387	31		401.198
<b>Accumulated Depreciation at 1.1.2007</b>	57.933		205	1.810	282	2		60.231
Depreciation for the Period	6.706		11	65	29	3		6.814
Disposals / Write-offs			(216)					(216)
Accumulated Depreciation at 30.6.2007	64.639		0	1.875	311	5		66.829
<b>Net Book Value at 30.6.2007</b>	334.079	0	0	187	76	26		334.369
Initial Cost at 1.1.2006	380.303	274	765	1.924	387			383.653
Acquisitions - Additions	21.992			75		31		22.098
Disposals / Write-offs	(6.327)							(6.327)
Adjustments-Impairments added to the Net Equity								
Adjustments-Impairments added to the Income Statement								
Cost at 31.12.2006	395.968	274	765	1.999	387	31		399.424
<b>Accumulated Depreciation at 1.1.2006</b>	48.163		179	1.626	224			50.191
Depreciation for the Period	12.282		26	184	58	2		12.552
Disposals / Write-offs	(2.512)							(2.512)
Accumulated Depreciation at 31.12.2006	57.933		205	1.810	282	2		60.231
<b>Net Book Value at 31.12.2006</b>	338.035	274	560	189	105	29		339.193

<u>Company Figures</u>	Vessels	Land	Buildings	Furniture & Other Fixtures	Improvements In Third Parties Property	Vehicles	Fixed Assets Under Construction	Total
Initial Cost at 1.1.2007	58.475	274	765	1.341	387	31		61.273
Acquisitions - Additions	66			54				120
Disposals / Write-offs		(274)	(765)					(1.039)
Adjustments-Impairments added to the Net Equity								
Adjustments-Impairments added to the Income Statement								
Cost at 30.6.2007	58.541	0	0	1.395	387	31		60.354
<b>Accumulated Depreciation at 1.1.2007</b>	17.063		205	1.202	282	2		18.754
Depreciation for the Period	1.760		11	49	29	3		1.852
Disposals / Write-offs			(216)					(216)
Accumulated Depreciation at 30.6.2007	18.823		0	1.251	311	5		20.391
<b>Net Book Value at 30.6.2007</b>	39.718	0	0	143	76	26		39.963
Initial Cost at 1.1.2006	43.040	274	765	1.281	387			45.747
Acquisitions - Additions	21.762			60		31		21.853
Disposals / Write-offs	(6.327)							(6.327)
Adjustments-Impairments added to the Net Equity								
Adjustments-Impairments added to the Income Statement								
Cost at 31.12.2006	58.475	274	765	1.341	387	31		61.273
<b>Accumulated Depreciation at 1.1.2006</b>	16.914		179	1.114	224			18.431
Depreciation for the Period	2.660		26	88	58	2		2.834
Disposals / Write-offs	(2.511)							(2.511)
Accumulated Depreciation at 31.12.2006	17.063		205	1.202	282	2		18.754
<b>Net Book Value at 31.12.2006</b>	41.412	274	560	139	105	29		42.519

## 5.9. Intangible assets

There is no indication of impairment for the following intangible assets.

<u>Consolidated Figures</u>	Trademarks	Software	Total
Initial Cost at 1.1.2007	141	4.646	4.787
Acquisitions - Additions		93	93
Disposals / Write-offs			
Adjustments-Impairments added to the Net Equity			
Adjustments-Impairments added to the Income Statement			
Cost at 30.6.2007	141	4.740	4.881
<b>Accumulated Depreciation</b> at 1.1.2007	70	3.114	3.184
Depreciation for the Period	5	233	238
Disposals / Write-offs			
Accumulated Depreciation at 30.6.2007	75	3.347	3.422
<b>Net Book Value</b> at 30.6.2007	66	1.393	1.459
Initial Cost at 1.1.2006	141	4.499	4.640
Acquisitions - Additions		200	200
Disposals / Write-offs			
Adjustments-Impairments added to the Net Equity			
Adjustments-Impairments added to the Income Statement		(53)	(53)
Cost at 31.12.2006	141	4.646	4.787
<b>Accumulated Depreciation</b> at 1.1.2006	60	2.664	2.724
Depreciation for the Period	10	450	460
Disposals / Write-offs			
Accumulated Depreciation at 31.12.2006	70	3.114	3.184
<b>Net Book Value</b> at 31.12.2006	71	1.532	1.603

<u>Company figures</u>	Trademarks	Software	Total
Initial Cost at 1.1.2007	141	2.769	2.910
Acquisitions - Additions		75	75
Disposals / Write-offs			
Adjustments-Impairments added to the Net Equity			
Adjustments-Impairments added to the Income Statement			
Cost at 30.6.2007	<u>141</u>	<u>2.844</u>	<u>2.985</u>
<b>Accumulated Depreciation</b> at 1.1.2007	<u>70</u>	<u>1.751</u>	<u>1.822</u>
Depreciation for the Period	5	178	182
Disposals / Write-offs			
Accumulated Depreciation at 30.6.2007	<u>75</u>	<u>1.929</u>	<u>2.004</u>
<b>Net Book Value</b> at 30.6.2007	<u>66</u>	<u>915</u>	<u>981</u>

Initial Cost at 1.1.2006	141	2.716	2.857
Acquisitions - Additions		106	106
Disposals / Write-offs			
Adjustments-Impairments added to the Net Equity			
Adjustments-Impairments added to the Income Statement		(53)	(53)
Cost at 31.12.2006	<u>141</u>	<u>2.769</u>	<u>2.910</u>
<b>Accumulated Depreciation</b> at 1.1.2006	<u>60</u>	<u>1.405</u>	<u>1.466</u>
Depreciation for the Period	10	346	356
Disposals / Write-offs			
Accumulated Depreciation at 31.12.2006	<u>70</u>	<u>1.751</u>	<u>1.822</u>
<b>Net Book Value</b> at 31.12.2006	<u>71</u>	<u>1.018</u>	<u>1.088</u>

As per the above table, the intangible assets of the Group include:

a) The trademarks, the cost of which include the cost of development and registration both in Greece and abroad.

b) The software, the cost of which include the cost of the booking systems as well as the cost of purchasing and developing the Group's integrated Enterprise Resource Planning system.

The table below analyzes the tangible and intangible assets held by the Group under finance leases. These assets are included in table 5.8 "Tangible Assets" and table 5.9 "Intangible Assets".

Leased Assets	<u>GROUP</u>	<u>COMPANY</u>
Net Book Value 2006	905	765
Additions 1/1-30/6/07		
Depreciation 1/1-30/6/07	<u>(131)</u>	<u>(78)</u>
Net Book Value 30/6/07	<u>774</u>	<u>687</u>

The most important assets acquired with finance lease are: the vessels' satellite antennas purchased for € 784 thousand, software programs purchased for € 571 thousand and various office electronic equipment purchased for € 243 thousand.

5.10. Investments in subsidiaries – associated companies

The following table depicts the development of investments in subsidiaries and associated companies:

	COMPANY	GROUP
Initial Cost at 1.1.2007	228.738	
Acquisitions - Additions		
Disposals/Write-offs		
Adjustments-Impairments added to Net Equity		
Adjustments-Impairments added to the Income Statement		
Value at 30.6.2007	228.738	0

Initial Cost at 1.1.2006	228.738	
Acquisitions - Additions		
Disposals/Write-offs		
Adjustments-Impairments added to Net Equity		
Adjustments-Impairments added to the Income Statement		
Value at 31.12.2006	228.738	0

There is no indication of impairment for the above-mentioned investments in subsidiaries.

5.11. Non-current receivables

Non-current receivables are guarantees given against office rent and public utility companies such as P.P.C. (Public Power Corporation) and H.T.O. (Hellenic Telecommunications Organization).

5.12. Inventories

The "Inventories" account includes the following items:

	30/6/2007		31/12/2006	
	GROUP	COMPANY	GROUP	COMPANY
Food-Beverages-Tobacco	251	165	262	153
Fuel-Lubricants	807	201	805	301
Hotel Equipment	500	240	517	197
Total	1.558	606	1.584	651

There is no indication of impairment for the above-mentioned inventories.

### 5.13. Trade receivables and prepayments

	30/6/2007		31/12/2006	
	GROUP	COMPANY	GROUP	COMPANY
Trade Receivables	32.011	3.532	19.018	3.240
Post Dated Cheques	12.592		12.103	
Less: Provisions for Bad Debts	4.035	170	3.838	170
Trade Receivables (net)	40.568	3.362	27.283	3.070
Prepayments to Suppliers - Creditors	3.357		1.444	
Total	43.925	3.362	28.727	3.070

The Group recognized a loss for bad debts of approximately € 171 thousand for the period 1/1-30/6/2007. The amount of this provision has been charged to the income statement of the present period.

The short-term receivables need not be discounted at the end of the period. The Group has a very wide spectrum of clientele in Greece, as well as abroad, thus the credit risk is very low.

### 5.14. Tax receivables

	30/6/2007		31/12/2006	
	GROUP	COMPANY	GROUP	COMPANY
Income Tax Prepayment	102	78	102	78
Withholding Tax on Interest				
Income	43	1	43	1
VAT Receivable	226	99	7	
Total	371	178	152	79

### 5.15. Receivables from subsidiaries – associated companies

The company's receivables from the subsidiaries and associated companies amount approximately € 123.544 thousand and they are written-off on consolidated level. These receivables do not represent sales among companies.

### 5.16. Other receivables

There is no need for other receivables to be discounted at the end of the period since they are short-term receivables.

	30/6/2007		31/12/2006	
	GROUP	COMPANY	GROUP	COMPANY
Prepayments to Employees	158		156	
Receivables from the Greek State	1.657	374	590	
Receivables from Insurance Companies	178	14	243	23
Masters' General Accounts	172	82	60	22
Other Receivables	858	101	629	128
Total	3.023	571	1.678	173

5.17. Cash and cash equivalents

This account includes all cash and cash equivalents that the Group can liquidate within three months.

	30/6/2007		31/12/2006	
	GROUP	COMPANY	GROUP	COMPANY
Cash in hand	30	2	34	3
Cash at banks	3.367	492	4.689	904
Short-term Time Deposits	36.017		37.518	
Total	39.414	494	42.241	907

During the first half of 2007, the Group has paid the amount of € 6.750 thousand against scheduled installments of its long-term borrowings.  
Furthermore, the Group paid the amount of € 242 thousand against finance leases.

5.18. Deferred expenses

	30/6/2007		31/12/2006	
	GROUP	COMPANY	GROUP	COMPANY
Insurance Premia	1.258	356	251	95
Drydocking Expenses	5.540	1.768	4.002	1.492
Other	708	79	819	139
Total	7.506	2.203	5.072	1.726

5.19. Non – current assets classified as held for sale

This account includes the following property:

The building in the town of Rhodes with net book value € 1.698 thousand

The building in Piraeus with net book value € 825 thousand

Total € 2.523 thousand

5.20. Share capital – Reserves

a) Share Capital

The company's Share Capital amounts € 105.000.000 and is divided in 105.000.000 common bearer shares with a nominal value of € 1 each.

b) Reserves

The Reserves are stated in the statement of Changes in Equity.

The approved dividend by the Annual General Meeting of Shareholders, amounting € 9.450 thousand, is included in current liabilities.

## 5.21. Secured loans

Long-term secured loans analysis:

	30/6/2007		31/12/2006	
	GROUP	COMPANY	GROUP	COMPANY
Bank Loans				
Bond Loans	168.932	7.929	175.682	8.429
Total	168.932	7.929	175.682	8.429

There are no overdue liabilities, or liabilities that are about to become due, that cannot be paid.

All loans are denominated in Euro. The Bond Loans are discounted.

The average weighted interest rate of the Bond Loans is Euribor plus 1,28%.

The loan payments are as follows:

	30/6/2007	
	GROUP	COMPANY
Loans		
Payments within the next two years	27.000	2.000
Payments from 3 to 5 years	40.500	3.000
Payments beyond 5 years	116.500	4.000

The above table does not include any costs that incurred in connection with the bond loan issuance, while it includes the current portion of the long-term debt.

## 5.22. Finance – Operating leases

The average weighted interest rate of the finance leases is Euribor plus 2.35%.

The Group's finance leases can be found in the following table:

	30/6/2007	
	GROUP	COMPANY
Finance Leases		
Payments within 1 year	381	381
Payments from 2 to 5 years	172	172
Payments beyond 5 years		

The finance leases that have been recognized in the income statement for the period 1/1 – 30/6/2007 amount € 137 thousand.

The operating leases that have been recognized in the income statement of the present period amount € 167 thousand.

The operating leases refer to office rent and have been contracted with market terms.

### 5.23. Deferred tax liabilities

The deferred tax liabilities involve the tax free reserves and other special taxable reserves that will be taxed only when they are distributed.

	30/6/2007	
	GROUP	COMPANY
Tax-free Reserves	19	4
Special taxable Reserves		
Total	19	4

### 5.24. Retirement benefit provisions

These provisions refer to personnel compensation due to retirement.

The Group has the legal obligation of paying to its employees a compensation at their first date of retirement on a pension.

The above-mentioned obligation is a defined benefit plan according to IAS 19.

The assumptions used for the calculation of retirement benefit provisions for the period 1/1 – 30/6/2007 are the same with those used for the calculation of retirement benefit provisions for the fiscal year 2006.

The analysis of this liability is as follows:

	30/6/2007		31/12/2006	
	GROUP	COMPANY	GROUP	COMPANY
Outstanding Balance at the Beginning of the period	502	214	438	178
Current period's cost	40	14	43	27
Interest cost	10	3	21	9
Compensation paid				
Provisions over and above the actuarial valuation				
	552	231	502	214

### 5.25. Provisions

There are no legal or arbitration cases pending that could have a significant effect on the financial position of the Group.

### 5.26. Trade and other payables

	30/6/2007		31/12/2006	
	GROUP	COMPANY	GROUP	COMPANY
Suppliers - Creditors	14.439	3.651	10.850	3.232
Social Security Contributions	116	33	142	39
Greek Seamens' Pension Fund (NAT)	539	205	492	225
Passengers' & Vehicles' Insurance Contribution (NAT)	1.838		863	
Insurance Brokers	1.128	1.127	138	135
Wages payable	1.278	430	842	344
Other*	10.119	10.073	687	511
Total	29.457	15.519	14.014	4.486

\* It includes the dividend payable for the fiscal year 2006.

5.27. Payables to subsidiaries - associated companies

The company's payables to subsidiaries and associated companies amount € 202.051 thousand and they are written-off on consolidated level. These payables do not represent sales among companies.

5.28. Tax liabilities

	30/6/2007		31/12/2006	
	GROUP	COMPANY	GROUP	COMPANY
Value Added Tax	2.017	385	558	129
Wages Tax	115	46	141	59
Income Tax	90	44		
Taxes on crew wages	98	39	404	117
Other	21	4	72	58
<b>Total</b>	<b>2.341</b>	<b>519</b>	<b>1.175</b>	<b>363</b>

5.29. Accrued expenses

	30/6/2007		31/12/2006	
	GROUP	COMPANY	GROUP	COMPANY
Accrued Interest	29	1	294	37
Travel Agents' Commissions	2.471		776	
Tax Provision for Unaudited Fiscal Years	30	10	30	10
Operating Expenses Provisions	1.182	346	436	239
<b>Total</b>	<b>3.712</b>	<b>357</b>	<b>1.536</b>	<b>286</b>

The Group has the adequate cash and cash equivalents to cover the above-mentioned liabilities.

5.30. Dividends

The Annual General Meeting of Shareholders of the company decided upon the distribution of € 9.450 thousand as dividend. Payment of the above dividend began on Monday 9<sup>th</sup> July, 2007.

**6. Events after the Balance Sheet date**

There are no events after the Balance Sheet Date.

Voula, 6<sup>th</sup> August 2007

MANAGING DIRECTOR

AUTHORIZED DIRECTOR

FINANCIAL DIRECTOR

MICHAEL SAKELLIS

SPIROS PASCHALIS

NIKOLAOS TAPIRIS