

**MARITIME COMPANY OF LESVOS S.A.
AND ITS SUBSIDIARIES**

**INTERIM FINANCIAL STATEMENTS
30TH JUNE, 2007**

**The Interim Financial Statements are issued according to
the International Financial Reporting Standards (IFRS)
which have been adopted by the European Community**

**MARITIME COMPANY OF LESVOS S.A.
AND ITS SUBSIDIARIES**

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**TRANSLATION FROM THE RESPECTIVE ONE
ISSUED IN GREEK LANGUAGE**

**REPORT ON INTERIM FINANCIAL INFORMATION
TO THE SHAREHOLDERS OF
MARITIME COMPANY OF LESVOS S.A. AND ITS SUBSIDIARIES**

We have reviewed the accompanying individual and consolidated balance sheet of **MARITIME COMPANY OF LESVOS S.A. AND ITS SUBSIDIARIES** as at 30 June, 2007, and the related statements of income, changes in equity and cash flows for the six months period then ended, and a summary of significant accounting policies and other explanatory notes (set out on pages 6 to 35). Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Financial Reporting Standards which have been adopted by the European Union and are applied in the interim financial information (IAS 34). Our responsibility is to express a conclusion on this 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” which is similar to the Greek Auditing Standards. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently 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 interim financial information do not present fairly in all material respects the financial position of the entity and of the Group as at 30 June, 2007 and their financial performance and their cash flows for the six month period then ended in accordance with IAS 34

24 August, 2007

THE CERTIFIED PUBLIC ACCOUNTANT

STYLIANOS KOURTELLAS
A.M. SOEL 11031

**MARITIME COMPANY OF LESVOS S.A.
AND ITS SUBSIDIARIES
INCOME STATEMENT
FOR THE PERIOD 1ST JANUARY, 2007 UNTIL 30TH JUNE, 2007
(Amounts expressed in Euro)**

CONSOLIDATED

	Notes	1/1- 30/06/2007	1/1- 30/06/2006	1/4- 30/06/2007	1/4- 30/06/2006
Revenue (sales)	19	19.063.866,52	11.043.517,14	13.741.736,74	6.610.686,07
Other operating income	20	12.565.155,52	56.541.571,37	7.456.352,72	55.513.504,94
Less: Fuel and other consumables		7.418.894,46	5.639.076,58	5.173.360,23	3.223.970,26
Less: Administrative expenses	22	7.341.359,79	5.241.901,49	3.984.045,22	3.037.434,78
Less: Depreciation	23	1.643.723,64	3.340.006,46	274.604,05	1.783.826,93
Less: Other operating expenses	21	10.744.023,65	14.018.113,66	7.299.467,15	12.011.738,30
Less: Interest and other financial expenses	24	4.256.356,13	1.993.362,98	1.671.049,34	1.550.631,07
Profit/(loss) before tax		224.664,37	37.352.627,34	2.795.563,47	40.516.589,67
Taxes		0,00	0,00	0,00	0,00
Profit /(Loss) of the period		224.664,37	37.352.627,34	2.795.563,47	40.516.589,67
Earning/(losses) per share	25	0,00	0,36	0,03	0,39

INDIVIDUAL

	Notes	1/1- 30/06/2007	1/1- 30/06/2006	1/4- 30/06/2007	1/4- 30/06/2006
Revenue (sales)	19	14.597.075,88	11.043.517,14	10.848.029,73	6.610.686,07
Other operating income	20	10.197.169,47	56.541.571,37	5.096.996,59	55.513.504,94
Less: Fuel and other consumables		5.669.199,87	5.639.076,58	4.050.355,05	3.223.970,26
Less: Administrative expenses	22	5.261.738,04	5.241.901,49	2.869.553,02	3.037.434,78
Less: Depreciation	23	1.244.314,41	3.340.006,46	107.191,77	1.783.826,93
Less: Other operating expenses	21	7.731.235,48	14.018.113,66	5.149.309,91	12.011.738,30
Less: Interest and other financial expenses	24	3.051.355,73	1.993.362,98	1.077.305,23	1.550.631,07
Profit/(loss) before tax		1.836.401,82	37.352.627,34	2.691.311,34	40.516.589,67
Taxes		0,00	0,00	0,00	0,00
Profit /(Loss) of the period		1.836.401,82	37.352.627,34	2.691.311,34	40.516.589,67
Earning/(losses) per share	25	0,02	0,36	0,03	0,39

The notes on pages 6-35 are an integral part of our Interim Financial Statements.

MARITIME COMPANY OF LESVOS S.A. AND ITS SUBSIDIARIES
BALANCE SHEET
30TH JUNE, 2007
(Amounts expressed in Euro)

	<u>Notes</u>	<u>30/06/2007</u>	<u>31/12/2006</u>	<u>30/06/2007</u>	<u>31/12/2006</u>
ASSETS					
Non-current assets					
Intangible assets		50.645,47	77.147,20	48.665,68	70.263,96
Goodwill	5	3.757.742,77	3.757.742,77	0,00	0,00
Tangible assets	6	102.750.717,07	92.675.366,13	81.921.148,24	73.941.217,92
Other assets	7	4.737.708,77	3.431.071,27	3.536.666,75	1.944.389,80
Investments in subsidiaries	8	0,00	0,00	536.400,00	536.400,00
Other long term receivables	8	<u>9.702,74</u>	<u>19.534,74</u>	<u>9.702,74</u>	<u>9.702,74</u>
		<u>111.306.516,82</u>	<u>99.960.862,11</u>	<u>86.052.583,41</u>	<u>76.501.974,42</u>
CURRENT ASSETS					
Inventories	11	1.246.824,73	1.717.362,38	1.140.994,22	1.579.928,58
Trade receivables	9	8.873.578,57	3.222.187,03	2.809.206,70	335.022,88
Other receivables	9	26.220.850,77	608.731,43	35.120.342,70	8.381.815,03
Prepayments	10	4.178.685,61	4.235.693,94	3.746.044,03	3.288.478,65
Investments	12	3.606.541,45	3.626.096,65	106.541,45	126.096,65
Cash and cash equivalents	13	6.004.311,65	7.043.303,74	2.727.662,54	5.708.639,78
Tangible assets (vessels) sold during the year 2007		0,00	81.124.775,78	0,00	65.448.575,84
Total current assets		<u>50.130.792,78</u>	<u>101.578.150,95</u>	<u>45.650.791,64</u>	<u>84.868.557,41</u>
Total assets		<u>161.437.309,60</u>	<u>201.539.013,06</u>	<u>131.703.375,05</u>	<u>161.370.531,83</u>
SHAREHOLDERS EQUITY AND LIABILITIES					
Share capital	14	34.872.701,10	31.702.455,30	34.872.701,10	31.702.455,30
Share premium		28.690.096,49	31.860.342,29	28.690.096,49	31.860.342,29
Own shares	14	(56.143,92)	0,00	(56.143,92)	0,00
Retained earnings		(572.149,65)	(4.825.845,93)	(1.613.986,38)	(4.825.845,93)
Total equity		<u>62.934.504,02</u>	<u>58.736.951,66</u>	<u>61.892.667,29</u>	<u>58.736.951,66</u>
LIABILITIES					
Long term liabilities					
Long term loans	17	55.437.792,13	55.172.606,71	37.760.356,20	38.460.356,20
Retirement benefit provisions	15	220.875,00	200.847,00	220.875,00	170.847,00
Other provisions	15	<u>4.451.353,92</u>	<u>4.451.353,92</u>	<u>4.451.353,92</u>	<u>4.451.353,92</u>
		<u>60.110.021,05</u>	<u>59.824.807,63</u>	<u>42.432.585,12</u>	<u>43.082.557,12</u>
Current liabilities					
Creditors and other liabilities	16	23.719.368,40	18.959.677,92	17.078.097,91	12.120.172,58
Short term loans	17	13.282.849,92	11.089.823,84	9.669.453,01	7.538.542,69
Loans for sold vessels during 2007	17	0,00	51.100.000,00	0,00	39.000.000,00
Accrued expenses	18	<u>1.390.566,21</u>	<u>1.827.752,01</u>	<u>630.571,72</u>	<u>892.307,78</u>
		<u>38.392.784,53</u>	<u>82.977.253,77</u>	<u>27.378.122,64</u>	<u>59.551.023,05</u>
Total liabilities		<u>98.502.805,58</u>	<u>142.802.061,40</u>	<u>69.810.707,76</u>	<u>102.633.580,17</u>
Total shareholders' equity and liabilities		<u>161.437.309,60</u>	<u>201.539.013,06</u>	<u>131.703.375,05</u>	<u>161.370.531,83</u>

The notes on pages 6-35 are an integral part of our Interim Financial Statements.

MARITIME COMPANY OF LESVOS S.A. AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN EQUITY
1ST JANUARY UNTIL 30TH JUNE, 2007
(Amounts expressed in Euro)

GROUP

	Share capital	Share premium	Expenses associated with share capital increase	Purchase of own shares	Retained earnings and other reserves	Total equity
Balance 1 January, 2007	31.702.455,30	32.045.854,20	(185.511,91)		(4.825.845,93)	58.736.951,66
Purchase of own shares (note 14)				(56.143,92)		(56.143,92)
Increase of share capital (note 14)	3.170.245,80	(3.170.245,80)				0,00
Net profit accrued to net asset value (note 6)					4.029.031,91	4.029.031,91
Profit 1/1/ - 30/06/2007					224.664,37	224.664,37
Balance at 30th June, 2007	34.872.701,10	28.875.608,40	(185.511,91)	(56.143,92)	(572.149,65)	62.934.504,02

COMPANY

	Share capital	Share premium	Expenses associated with share capital increase	Purchase of own shares	Retained earnings and other reserves	Total equity
Balance 1 January, 2007	31.702.455,30	32.045.854,20	(185.511,91)		(4.825.845,93)	58.736.951,66
Purchase of own shares (note 14)				(56.143,92)		(56.143,92)
Increase of share capital (note 14)	3.170.245,80	(3.170.245,80)				--
Net profit accrued to net asset value (note 6)					1.375.457,73	1.375.457,73
Profit 1/1/ - 30/06/2007					1.836.401,82	1.836.401,82
Balance at 30th June, 2007	34.872.701,10	28.875.608,40	(185.511,91)	(56.143,92)	(1.613.986,38)	61.892.667,29

The notes on pages 6-35 are an integral part of our Interim Financial Statements.

MARITIME COMPANY OF LESVOS S.A. AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN EQUITY
1ST JANUARY, 2007 UNTIL 30TH JUNE, 2007
(Amounts expressed in Euro)

GROUP

	Share capital	Share premium	Expenses associated with share capital increase	Retained earnings and other reserves	Total equity
Balance 1 January, 2006	31.154.055,30	31.607.134,20	(185.511,91)	(36.903.753,54)	25.671.924,05
Profit 01/01-30/06/06				37.352.627,34	37.352.627,34
Balance 30 June, 2006	31.154.055,30	31.607.134,20	(185.511,91)	448.873,80	63.024.551,39

COMPANY

	Share capital	Share premium	Expenses associated with share capital increase	Retained earnings and other reserves	Total equity
Balance 1 January	31.154.055,30	31.607.134,20	(185.511,91)	(36.903.753,54)	25.671.924,05
Profit 01/01-30/06/06				37.352.627,34	37.352.627,34
Balance 30 June, 2006	31.154.055,30	31.607.134,20	(185.511,91)	448.873,80	63.024.551,39

The notes on pages 6-35 are an integral part of our Interim Financial Statements.

MARITIME COMPANY OF LESVOS S.A. AND ITS SUBSIDIARIES
CASH FLOW STATEMENT
30TH JUNE, 2007
(Amounts expressed in Euro)

	<u>GROUP</u>		<u>COMPANY</u>	
	<u>01.01- 30.06.2007</u>	<u>01.01- 30.06.2006</u>	<u>01.01- 30.06.2007</u>	<u>01.01- 30.06.2006</u>
Cash flow from operating activities				
Profit/(loss) before tax	224.664,37	37.352.627,34	1.836.401,82	37.352.627,34
Adjustments for:				
Depreciation	1.643.723,64	3.340.006,46	1.244.314,41	3.340.006,46
Other no cash transactions (1)	1.731.109,64	0,00	1.042.321,34	0,00
Provisions	(7.876.285,10)	8.983.105,37	(7.849.496,31)	8.983.105,37
Foreign exchange differences	(50.286,85)	(150.044,43)	(40.995,39)	(150.044,43)
Net profit from investing activities	(3.887.127,01)	(61.315.483,58)	(1.562.074,03)	(61.315.483,58)
Interest payment and other financial expenses	4.318.470,09	2.146.939,63	3.102.925,31	2.146.939,63
Operating profit before changes in working capital	<u>(3.895.731,22)</u>	<u>(9.642.849,21)</u>	<u>(2.226.602,85)</u>	<u>(9.642.849,21)</u>
Decrease/(Increase) in inventories	470.537,65	24.107,66	438.934,36	24.107,66
(Increase)/Decrease in receivables	(5.908.060,13)	(4.087.316,83)	(4.370.748,16)	(4.087.316,83)
(Decrease)/Increase in payables	4.770.068,23	8.578.420,70	4.957.925,33	8.578.420,70
Interest and similar charges	(4.755.655,89)	(1.751.153,93)	(3.364.661,37)	(1.751.153,93)
Total cash inflow/(outflow) from operating activities (a)	<u>(9.318.841,36)</u>	<u>(6.878.791,61)</u>	<u>(4.565.152,69)</u>	<u>(6.878.791,61)</u>
Cash flow from investing activities				
Payments for the acquisition of subsidiaries, associated companies, joint ventures and other investments	0,00	(2.735.540,00)	0,00	(2.735.540,00)
Purchase of tangible and intangible fixed assets	(3.094.667,29)	(4.863.975,87)	(2.861.787,01)	(4.863.975,87)
Proceeds from sale of tangible and intangible assets	60.000.000,00	0,00	42.000.000,00	0,00
Proceeds from sale of investments	29.125,50	0,00	29.125,50	0,00
Interest received	2.328,09	3.720,45	1.075,17	3.720,45
Net cash inflow/(outflows) from investing activities (b)	<u>56.936.786,30</u>	<u>(7.595.795,42)</u>	<u>39.168.413,66</u>	<u>(7.595.795,42)</u>
Cash flow from financing activities				
Proceeds from borrowings	10.796.143,33	54.148.349,73	4.600.800,00	54.148.349,73
Payments of borrowings	(59.396.936,44)	(45.452.136,47)	(42.128.894,29)	(45.452.136,47)
Purchase of own shares	(56.143,92)	0,00	(56.143,92)	0,00
Cash flow from financing activities (c)	<u>(48.656.937,03)</u>	<u>8.696.213,26</u>	<u>(37.584.238,21)</u>	<u>8.696.213,26</u>
(Decrease)/Increase in net liquid funds (a) + (b) + (c)	<u>(1.038.992,09)</u>	<u>(5.778.373,77)</u>	<u>(2.980.977,24)</u>	<u>(5.778.373,77)</u>
Cash and cash equivalents at beginning of the period	<u>7.043.303,74</u>	<u>8.468.239,24</u>	<u>5.708.639,78</u>	<u>8.468.239,24</u>
Cash and cash equivalents at the end of the period	<u>6.004.311,65</u>	<u>2.689.865,47</u>	<u>2.727.662,54</u>	<u>2.689.865,47</u>

(Note1) Concerning mainly cost of special survey transferred to the profit and loss account.

The notes on pages 6-35 are an integral part of our Interim Financial Statements.

MARITIME COMPANY OF LESVOS S.A. AND ITS SUBSIDIARIES
Notes to the interim financial statements
30th June, 2007
(Amounts in Euro)

1. General information

The purpose of the parent company Maritime Company is the acquisition and exploitation of ships, mainly in the Lesvos – Chios - Piraeus coastal line. It is a Public Company and its central offices are located at El. Venizaelou 5 in the Mitilini Municipality of Lesvos. The company is listed in the Athens Stock Exchange (Travels and tourism sector) and its website is www.nel.gr. The total number of common shares and the weighted average number at 30/06/2007 is 105.674.851. The total capitalisation of Maritime Company of Lesvos S.A. is 115.185.000.

The subsidiary companies which are included in the consolidated interim statements and the percentage of shareholding are as follows:

1. NEL LINES JOINT VENTURE has been established in Lesvos Island, address El. Venizelou 5 Mytilene. The parent company has the 100% shareholding (50% direct and 50% indirect through the subsidiary (100%) C-LINK FERRIES) and the consolidation was made on the basis of total method.

NEL LINES JOINT VENTURE was consolidated for the first time in year 2006. Maritime Company of Lesvos S.A. is a joint venturer with its subsidiary C LINK FERRIES.

2. C- LINK FERRIES was established in Piraeus, address Kolokotroni 116. The parent company has the 100% shareholding (acquisition 22/12/2006) and the consolidation was made on the basis of total method. C-Link Ferries was consolidated for the first time as at 31.12.2006

The interim financial statements were approved by the Board of Directors at 24/08/2007. The members of the Board of Directors at the date of the approval of the interim financial statements were:

Sifakis Ioannes	President –Executive member
Ventouris Apostolos	CEO- Executive member
Papageorgiou Theocharis	Vice President- Executive member
Dimitroulopoulos Andreas	Executive member
Kavadias Socrates	Non-executive member
Zouros Ioannes	Independent non-executive member
Kountsouros Michael	Independent non-executive member

MARITIME COMPANY OF LESVOS S.A. AND ITS SUBSIDIARIES
Notes on the interim financial statements
30th June, 2007
(Amounts in Euro)

2. Adoption of the International Financial Reporting Standards (IFRS)

The interim financial statements of the accounting period 1/1/-30/6/2007 have been prepared by the management of the company in accordance with the IFRS and their interpretations that have been published by the International Accounting Standards Board (IASB) and by the International Financial Reporting Interpretation Committee (IFRIC) respectively and have been adopted by the European Union.

The accounting principles mentioned below are applied with consistency.

The present financial statements have been prepared under the historical cost convention, (except the valuation of vessels which are measured of their fair value), the continuance of activity of the group, the consistency concept, the uniformity of presentation, the consideration of the materiality, and the principle of accrued income and expenses. The preparation of the financial statements according to IFRS requires the use of accounting estimates and assumptions for the application of the accounting principles.

2.1. Adoption of new and revised International Financial Reporting Standards

The group adopted, in the current year, the new and revised International Financial Reporting Standards (IFRS) and the corresponding amendments that have been published by the International Accounting Standards Board (IASB) and from the International Financial Reporting Interpretation Committee (IFRIC) respectively, to the extent that these are related with the group's activity and are effective for accounting periods beginning on 1st January, 2006.

a. New and revised standards and interpretation effective from 1st of January, 2006

The adoption of the new and revised standards and interpretations effective from the 1st of January, 2006 either do not relate with the activities of the group or do not impose changes on the accounting policies which cause material effect on the reported financial data for the current year and for the previous year.

At the date of approval of these financial statements, the following Standards and Interpretations were issued.

MARITIME COMPANY OF LESVOS S.A. AND ITS SUBSIDIARIES
Notes on the interim financial statements
30th June, 2007
(Amounts in Euro)

2. Adoption of the International Financial Reporting Standards (IFRS)

- IFRIC 7 Applying the Restatement Approach under IAS 29, Financial Reporting in Hyperinflationary Economics Effective for annual periods beginning on or after 1 March, 2006
- IFRIC 8 Scope of IFRS 2 Effective for annual periods beginning on or after 1 May, 2006
- IFRIC 9 Reassessment of Embedded Derivatives Effective for annual periods beginning on or after 1 June, 2006
- IFRIC 10 Interim Financial Reporting and Impairment Effective for annual periods beginning on or after 1 November, 2006

b. New and revised standards not yet in effect

It is estimated that the new and revised standards and interpretations that are not yet in effect either *do not relate with the activities of the group or will not have material effect in the financial data.*

At the date of approval of these financial statements, the following Standards and Interpretations were in issue but not yet effective:

IFRS 7	Financial Instruments	Implementation 2007
IFRS 8	Segment Reporting	Effective 1 January, 2009
IFRIC 11	Group and Treasury share transactions	Effective accounting periods beginning on or after 1 March, 2007
IFRIC 12	Service Concession Arrangements	Effective 1 January, 2008

MARITIME COMPANY OF LESVOS S.A. AND ITS SUBSIDIARIES
Notes on the interim financial statements
30th June, 2007
(Amounts in Euro)

3. Basic accounting principles

3.1. Consolidation

Basis of consolidation

The purchase method is the accounting method used for consolidation.

The purchase cost is the amount of cash and cash equivalent or the fair value of other consideration given by the acquirer for the acquisition of the control of other entity's net worth plus any other cost connected with the specific purchase.

Subsidiary company

Subsidiary is the company which is controlled by other company. Control is the right to direct the financial and business policies of other company in order to obtain benefits from its activities. At the end of each accounting period the cost of participation in the subsidiary is subject to impairment test.

Consolidated financial statements

The consolidated financial statements incorporate the financial statements of the parent company and its subsidiaries, which are controlled directly or indirectly by the parent company. Control is achieved when the parent company has the power to govern the financial and operating policy of the entity in so as to obtain benefits from its activities.

Consolidated financial statements are based on separate companies financial statements which have been prepared in accordance with IFRS and certain accounting principles followed by the Group.

All group's companies have the same reporting date.

All intercompany transactions and intercompany balances income and expenses are eliminated on consolidation.

3.2. Goodwill

Goodwill is the difference between the acquisition cost and the fair value of assets and liabilities of the acquired company (subsidiary or associated) at the date of acquisition. This goodwill is not depreciated. However is subject to impairment test at the end of each accounting period.

MARITIME COMPANY OF LESVOS S.A. AND ITS SUBSIDIARIES
Notes on the interim financial statements
30th June, 2007
(Amounts in Euro)

3. Basic accounting principles (cont'd)

3.3. Financial instruments

The financial instruments are classified under the following categories on the basis of the purpose for which they were required.

Financial assets measured at fair value through Profit and Loss.

These are originally recognised and measured by the company at their fair value and their changes in values are recognised through Profit and Loss or they were acquired by the company with the purposes for sale in the short term.

Securities which are connected with the right on specific asset which can be measured in cash are originally recognised at cost which is the real value of the consideration given plus transaction expenses.

Securities are acquired by the Group for trading purposes, i.e. it is considered that they were acquired with the purpose for sale in the short term. The fair value of securities listed in active market is measured at current value. For the non listed securities the fair value is calculated on the basis of other methods such as analysis of recent transactions of comparable once and discounted cash flow.

Held to maturity investments

These are non derivative financial instruments with fixed or defined payments and specific maturity date, which the Group has the intention and the ability to held up to maturity. The Group has not investment of such category.

Loans, and claims

These are non derivative financial instruments with fixed or defined payments which are not coded in active market. This category does not include claims or advances for purchase of goods of services or liabilities and claim which are not conventional .

Loans and claims are recognised at the outstanding balance on the basis of the effective rate of interest method. The management of the Group believes that the fair value of the short term claims and payables is the same with the book value. For the loan the Group believes that the interest rates are equivalent with the effective rate of interest and consequently is not necessary to adjust the value of these liabilities to the book value.

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3. Basic accounting principles (cont'd)

3.3. Financial instruments (cont'd)

Financial Instruments available for sale

These are non derivative financial instruments, which are either classified under this category or cannot be classified under any one of the above categories. Depends on the intention of the management for withholding are classified under the Fixed or Current Assets. Financial Instruments available for sale are initially recognised at cost plus direct transaction cost. After the initial recognition these instruments are measured at fair value and the profit or loss for the changes in their fair value are recognised direct to equity until their sale or impairment when the accumulated profit or loss previously recognised in equity is transferred to Profit and Loss. The fair value of the financial instruments which are coded in an active market is measured at current values. Participation instruments which are not coded in active markets and of which the fair value cannot be measured reliably are valued at cost. Dividends from participations available for sale are recognised to Profit and Loss when the right for collection is secured.

3.4. Foreign currency transactions

The foreign currency transactions are initially recorded based on the rate (Euro to foreign currency) at the date of the transaction. The financial assets and liabilities in foreign currency are translated to the functional currency based on the exchange rate prevailing at the balance-sheet. Exchange differences are transferred to P & L Account. The non-current assets and the liabilities that are stated at the historical cost and are expressed in the foreign currency are translated using the rate at the date of acquisition.

3.5. Tangible assets

The tangible assets (except vessels) are stated at the cost of acquisition less depreciations and impairments. The cost of acquisition includes all the initial expenses for the acquisition of assets. Later expenses are only recorded as an addition to the existing cost if and only if it adds future economic benefits to the company and their cost can be valued reliably. The repairs and the maintenance are charged to the results, when they are incurred.

Land is not depreciated.

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3. Basic accounting principles (cont'd)

3.5. Tangible assets (cont'd)

The depreciation of tangible assets are calculated using the straight –line method according to their estimated useful economic life which is as follows:

Buildings	20 years
Ships	35 to 40 years

The useful economic life of the vessels has been defined before the presidential Decree 124/2006. According to the provisions of this decree and subject to specific conditions the useful economic life may be unlimited.

Other equipment	3 to 5 years
-----------------	--------------

The vessels' residual scrap value is based on their fair values as estimated by independent valuers.

When the carrying amount of tangible assets exceed their fair value, the differences being impairment is charged as expenses in the Profit and Loss Account.

At the disposal of tangible assets, the difference between the received amount and their carrying amount is shown as profit or loss of the period.

3.6. Intangible Assets

Software

The software licenses are stated at their cost of acquisition less the accumulated depreciation. The depreciation is calculated using the straight-line method over the useful economic life of these assets which varies from 3 to 5 years.

3.7. Impairment of Assets

The depreciated assets are subject to impairment test, when there are indications that their recoverable amount is doubtful. The recoverable amount is the highest of the fair value; less selling cost and the value in use. For the estimation of impairment loss the assets are classified in the smaller possible cash generating units. The impairment losses are presented as expenses in the financial statements, when they are incurred.

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3. Basic accounting principles (cont'd)

3.8. Inventories

Inventories are valued at the lower of the cost of acquisition and the net realisable value. The cost is calculated using the FIFO method. The net realisable value is valued based on sales proceeds less costs associated with the sale which would have occurred in the normal operations of business.

3.9. Trade Receivables

Trade receivables are initially recorded at their fair value, which is the same with the nominal value. They are subsequently stated at their nominal value less any provision for bad debts or bad debts. The provision for bad debts or bad debts are recognised when there is objective evidence that the company is not in place to collect all receivable amounts based on agreed terms.

3.10. Cash and cash equivalents

Cash and cash equivalents include cash deposits and short term (up to 3 months maturities) investments of high liquidity and low risk.

3.11. Non current assets which are hold for sale

There are fixed assets which the Group intents to sale within one calendar year since the date of their classification as “held for sale”. Non current assets which are classified as available for sale are not subject to depreciation and are measured at the lower value between their accounting value just before their classification as “held for sale” and their value less cost of sale. The results from the sale or revaluation of the non current assets which are held for sale are recognised to Profit and Loss.

3.12. Share Capital

Common shares are classified as equity. Direct cost for the shares issued, is presented as a decrease of the share capital.

The acquisition cost of own shares is presented as a decrease of the equity, until the own shares are sold or cancelled. Profit or loss on the sale of owned shares are shown as a reserve after taking into consideration the cost of the transaction.

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3. Basic accounting principles (cont'd)

3.13. Income Tax

According to Law 27/1975 shipowning companies with vessels under Greek flag are subject to tax which is calculated on the basis of the vessels tonnage independently from the company's results. The above substitutes the income tax from shipping activities. It is the Group's opinion that the tax is similar to contribution since it is neither imposed nor it is based on taxable profits and consequently is charged to Profit and Loss. Profit from non shipping activities (if any) are taxed in accordance with the general provision for income tax. Up to 30/6/2007 the parent company has paid tax of Law 27/1975 (tonnage tax) of € 4.435,31. The subsidiary company C LINK FERRIES has paid € 7.538,99.

3.14. Compensation to employees

(a) Short term benefits

The short-term benefits to the employees in money or in kind, are recorded as expenses when they are earned and are realised.

(b) Benefits in case of retirement

Benefits in case of retirement include programs of determined benefits.

The liabilities for determined benefits concern the benefits stated in law 2112/20 according to which, employees receive a lump-sum compensation at the time of retirement. This compensation is calculated on the basis of predetermined scale set by the aforesaid law based on the number of years of service and their salary at the time of retirement.

The present value of this liability as at 30/6/2007 was calculated by independent actuaries using the Present Unit Credit Method. This discounting of the estimated cash flows was made by using the weighted average interest rate applicable to Greek Government Bonds. The accumulated actuarial profit or loss at the date of estimation to the extent they are 10% over the accrued liabilities, are depreciated within a period equal to remaining period of service of the staff.

3.15. Income

Income includes the fair value of sales of goods and services, net of taxes, discounts and returns. The income from the sale of tickets is recognised when the tickets are issued.

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3. Basic accounting principles (cont'd)

3.16. Segmental information

The Group's activities are within the sector of passenger shipping throughout various geographical areas. The Group's activity throughout 2006 was restricted to the Greek Costal Lines. Since May 2007 the activities were extended to the Red Sea. Consequently the activity of the group for 2007 can be grouped to:

- a. Greek Costal lines
- b. Rea Sea

The Group's vessels carry passengers (passenger transportation) and cars (Commercial transportation). The passenger transportation is high seasonal. The higher is from June to September and the lower from November to February. The commercial movement is distributed throughout the year evenly.

4. Financial risk management

Financial risk factors

(a) Credit risk

Credit risk is mainly related with travel agents and is not considered substantial.

In order to reduce the risk the company has defined strict credit limits. Furthermore it follows the policy to receive bank letters of guarantees as a security against credit limits given.

(b) Liquidity risk

The company's liquidity is characterized as seasonal and is affected, during the winter months, by the decreased turnover.

(c) Cash flow risk and interest-rate change risk

The company does not have significant interest bearing assets and consequently is not subject to risk caused by changes in interest rates.

The risk from changes in interest rates is related with the loan agreements, since the loans bear floating interest-rates.

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5. **Goodwill**

Goodwill of € 3.757.472,77 was arised on acquisition of the subsidiary C LINK FERRIES N.E. This is the difference between the paid consideration of € 536.400 and the fair values of the assets and liabilities of the acquired company. The fair values are equal to the respective presented in the financial statements of 31/12/2006 which have been prepared in accordance with IAS.

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6. Tangible assets

INDIVIDUAL	Land	Buildings	Ships	Other equipment	Total
<u>Cost</u>					
1/1/2007	439.729,74	239.319,85	186.203.921,41	1.523.008,93	188.405.979,93
Vessel's value sold during 2007	-	-	- 75.066.859,53	-	- 75.066.859,53
Purchases	-	-	223.459,40	3.476,52	226.935,92
Transfers (1)	-	-	7.600.000,00	-	7.600.000,00
Transfer of accumulated depreciation					-
	-	-	- 39.329.679,01	-	- 39.329.679,01
					-
Revaluation of ships (2)	-	-	1.375.457,73	-	1.375.457,73
30/6/2007	439.729,74	239.319,85	81.006.300,00	1.526.485,45	83.211.835,04
<u>Depreciation</u>					
1/1/2007	-	123.421,71	47.796.382,31	1.096.382,15	49.016.186,17
Depreciation of sold vessel during 2007	-	-	- 9.618.283,69	-	- 9.618.283,69
Additions	-	6.250,44	1.151.580,39	64.632,50	1.222.463,33
Transfer of depreciation					
	-	-	- 39.329.679,01	-	- 39.329.679,01
30/6/2007	-	129.672,15	-	1.161.014,65	1.290.686,80
30/06/2007 Net Book Value	439.729,74	109.647,70	81.006.300,00	365.470,80	81.921.148,24
31/12/2006 Net Book Value	439.729,74	115.898,14	72.958.963,26	426.626,78	73.941.217,92

(1) The increase in the vessels value is due to the reversal of the provision for impairment due to laid up. The ship's engines were repaired by 31.3.2007 and the ships are back in routes since May. 2007.

(2) It refers to the revaluation of group's ships at the fair value.

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6. Tangible assets

GROUP					
Cost	Land	Buildings	Ships	Other equipment	Total
1/1/2007 individual	439.729,74	239.319,85	186.203.921,41	1.523.008,93	188.405.979,93
1/1/2007 subsidiary	-	667.218,64	36.509.642,23	87.633,35	37.264.494,22
Individual vessel's value during 2007 (note 29)			- 75.066.859,53		- 75.066.859,53
Subsidiary vessel's value during 2007 (note 29)	-	-	- 16.669.027,73	-	- 16.669.027,73
Purchases (Individual)	-	-	223.459,40	3.476,52	226.935,92
Purchases (Subsidiary)			9.563,43		9.563,43
Transfers (Individual) (1)	-	-	7.600.000,00	-	7.600.000,00
Disposals (Subsidiary)	-	-	- 167.780,47	-	- 167.780,47
Set off of intercompany transactions	-	-	- 2.219,53	-	- 2.219,53
Transfer of accumulated depreciation (Individual)	-	-	- 39.329.679,01	-	- 39.329.679,01
Transfer of accumulated depreciation (Subsidiary)			- 1.993.900,22		- 1.993.900,22
Revaluation of ships (Individual) (2)			1.375.457,73		1.375.457,73
Revaluation of ships (Subsidiary) (2)	-	-	2.653.574,18	-	2.653.574,18
30/6/2007	439.729,74	906.538,49	101.346.151,89	1.614.118,80	104.306.538,92
<u>Depreciation</u>					
1/1/2007 individual	-	123.421,71	47.796.382,31	1.096.382,15	49.016.186,17
1/1/2007 subsidiary		47.650,81	2.769.467,31	37.027,95	2.854.146,07
Depreciation of sold vessels during 2007 (Individual) (note 29)			- 9.618.283,69		- 9.618.283,69
Depreciation of sold vessels during 2007 (Subsidiary) (note 29)	-	-	- 992.827,79	-	- 992.827,79
Depreciation (Individual)	-	6.250,44	1.151.580,39	64.632,50	1.222.463,33
Depreciation (Subsidiary)	-	9.926,02	379.452,15	8.338,82	397.716,99
Transfer of accumulated depreciation (Individual)			- 39.329.679,01		- 39.329.679,01
Transfer of accumulated depreciation (Subsidiary)	-	-	- 1.993.900,22	-	- 1.993.900,22
30/6/2007	-	187.248,98	162.191,45	1.206.381,42	1.555.821,85
30/06/2007 Net Book Value	439.729,74	719.289,51	101.183.960,44	407.737,38	102.750.717,07
31/12/2006 Net Book Value	439.729,74	735.465,97	91.022.938,24	477.232,18	92.675.366,13

- (1) The increase in the vessels value is due to the reversal of the provision for impairment due to laid up. The ship's engines were repaired by 31.3.2007 and the ships are back in routes since May. 2007.
- (2) It refers to the revaluation of group's ships at the fair value.

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The vessels are depreciated on a straight line method during the useful economic life of 35-40 years. The vessel's useful economic life was estimated on 30.6.2007 by independent valuers. The estimated residual values of the vessels at the end of their useful economic life were also evaluated by independent valuers at 30.6.2007 and were defined at 30% of their initial acquisition cost for the conventional vessels and 20% of their initial acquisition cost for the High speed vessels. The vessels fair values (except of the vessel Panagia Thalassini) as at 30.6.2007 were valued by independent valuer. The fair value of the vessel Panagia Thalassini was revaluated by 31.3.2007 by two independent valuers and the deference on revaluation refers to that date. It is noted that the vessel Panagia Parou which was sold on 5th April, 2003 for € 18.000.000 was identical to Panagia Thalassini.

The analytical data of the above evaluation are as follows:

PARENT COMPANY

SHIP	FAIR VALUE	NET BOOK VALUE	REVALUATION INCREASE	RESIDUAL VALUE	END OF USEFUL ECONOMIC LIFE
AEOLOS KENTERIS I	30.800.000,00	30.311.444,08	488.555,92	7.400.000,00	2035
AEOLOS KENTERIS II	28.900.000,00	28.460.625,14	439.374,86	6.700.000,00	2036
THEOFILOS	9.400.000,00	9.259.722,77	140.277,23	6.600.000,00	2015
TAXIARCHES	5.500.000,00	5.424.766,75	75.233,25	3.600.000,00	2016
MITILINI	6.400.000,00	6.167.983,53	232.016,47	4.500.000,00	2013
TOTAL	81.000.000,00	79.624.542,27	1.375.457,73	28.800.000,00	

C LINK FERRIES S.C.

SHIP	FAIR VALUE	NET BOOK VALUE	REVALUATION INCREASE	RESIDUAL VALUE	END OF USEFUL ECONOMIC LIFE
PANAGIA TINOU	1.100.000,00	1.020.386,70	79.613,30	500.000,00	2016
PANAGIA HOZOVIOTISSA	1.200.000,00	1.110.608,77	89.391,23	500.000,00	2017
PANAGIA THALASSINI	18.000.000,00	15.515.430,35	2.484.569,65	3.600.000,00	2031
TOTAL	20.300.000,00	17.646.425,82	2.653.574,18	4.600.000,00	

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6. Tangible Assets (cont.)

Two of the company's high speed vessels, were laid up due engine problems, as described below:

- AEOLOS EXPRESS from 25-1-2005 (renamed AEOLOS KENTERIS I)
- AEOLOS EXPRESS II from 24-5-2005 (renamed AEOLOS KENTERIS II).

After the rectification and improvement of propeller machines of the vessels, the company activated these vessels on the following Costal Lines since May 2007:

AEOLOS KENTERIS I shipping line: Piraeus-Rethymno-Piraeus

AEOLOS KENTERIS II shipping line: Piraeus-Paros-Naxos-Paros-Piraeus

The following mortgages were registered on the parent company's vessels:

MITILINI	USD	32.500.000
THEOFILOS	USD	32.500.000
TAXIARCHES	USD	9.100.000
Total	USD	<u>74.100.000</u>
MITILINI	EURO	4.000.000
THEOFILOS	EURO	4.000.000
AEOLOS KENTERIS II	EURO	26.650.000
TAXIARCHES	EURO	1.430.668
AEOLOS KENTERIS I	EURO	26.700.000
Total	EURO	<u>62.780.668</u>

The following mortgages was registered on C LINK FERRIES vessel:

PANAGIA THALASSINI	EURO	<u>16.250.000</u>
Total		<u>16.250.000</u>

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7. Other assets

The amount of € 4.737.708,77 represents the net book value of costs for special survey, which is analysed as follows:

	TOTAL COST OF SPECIAL SURVEY	TRANSFER TO THE PROFIT AND LOSS ACCOUNT SPECIAL SURVEY'S PART	NET BOOK VALUE 30/06/2007
AEOLOS KENTERIS	462.337,11	462.337,11	-
AEOLOS KENTERIS I	1.079.464,02	136.625,29	942.838,73
AEOLOS KENTRERIS II	1.004.799,92	138.226,78	866.573,14
THEOFILOS	873.987,61	133.563,78	740.423,83
MITILINI	621.978,24	92.666,54	529.311,70
TAXIARCHES	536.421,19	78.901,84	457.519,35
PANAGIA TINOU	125.498,01	20.213,96	105.284,05
PANAGIA HOZOVIOTISSA	475.121,50	69.328,38	405.793,12
PANAGIA THALASSINI	820.987,62	131.022,77	689.964,85
PANAGIA PAROU	458.391,19	458.391,19	-
NET BOOK VALUE 30/06/2007	6.458.986,41	1.721.277,64	4.737.708,77

8. Investments – Other non current receivables

	GROUP		COMPANY	
	<u>30/06/2007</u>	<u>31/12/2006</u>	<u>30/06/2007</u>	<u>31/12/2006</u>
Other non current receivables				
P.P.C. (Public Power Corporation)				
S.A. guaranties	1.231,11	1.231,11	1.231,11	1.231,11
Piraeus offices rent				
Guarantees	5.000,00	5.000,00	5.000,00	5.000,00
Various guaranties	2.471,63	12.303,63	2.471,63	2.471,63
Other participations	1.000,00	1.000,00	1.000,00	1.000,00
Total	9.702,74	19.534,74	9.702,74	9.702,74
Investments				
Participation in related companies	--	--	536.400,00	536.400,00
Total			536.400,00	536.400,00

Other participations concern the 10% of shares of the company P. Kakaniaris – K. Papadimitriou – P. Karantanis & Co. E.E. without substantial activity.

The participation in related companies concerns the payment of amount € 536.400 for the purchase of the total shares of C LINK FERRIES SC in accordance to the decision of the General Meeting.

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9. Trade and other receivables

	GROUP		COMPANY	
	<u>30/06/2007</u>	<u>31/12/2006</u>	<u>30/06/2007</u>	<u>31/12/2006</u>
Clients	9.622.531,10	3.971.139,56	3.558.159,23	1.083.975,41
Minus: Provision for bad debts	<u>(748.952,53)</u>	<u>(748.952,53)</u>	<u>(748.952,53)</u>	<u>(748.952,53)</u>
Total	<u>8.873.578,57</u>	<u>3.222.187,03</u>	<u>2.809.206,70</u>	<u>335.022,88</u>
Other receivables				
Receivables from claim refunds	625.432,88	625.432,88	625.432,88	625.432,88
Receivables from related companies	--	--	9.070.268,60	8.154.532,78
Other receivables	25.851.120,02	845.072,07	25.849.645,80	463.622,89
Prepayments for contributions ship register	506.302,65	199.759,97	337.000,20	199.759,97
Minus: Provision for bad debts	<u>(762.004,78)</u>	<u>(1.061.533,49)</u>	<u>(762.004,78)</u>	<u>(1.061.533,49)</u>
Total	<u>26.220.850,77</u>	<u>608.731,43</u>	<u>35.120.342,70</u>	<u>8.381.815,03</u>

(1) Other receivables include € 25.000.000 which is the balance outstanding from the sale of vessel Aeolos Kenteris.

10. Prepayments

	GROUP		COMPANY	
	<u>30/06/2007</u>	<u>31/12/2006</u>	<u>30/06/2007</u>	<u>31/12/2006</u>
Insurance premiums of the next period (1)	1.286.307,27	789.656,79	976.331,81	--
Prepaid insurance	--	421.185,69	--	421.185,69
Other	208.269,30	201.579,20	164.472,27	154.399,80
Rents of the next period	150.000,00	150.000,00	150.000,00	150.000,00
Rent of following periods (beyond one year)	2.237.500,00	2.312.500,00	2.237.500,00	2.312.500,00
Prepayments to suppliers	296.609,04	360.772,26	217.739,95	250.393,16
	<u>4.178.685,61</u>	<u>4.235.693,94</u>	<u>3.746.044,03</u>	<u>3.288.478,65</u>

(1) Corresponds to equal liability.

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11. Inventories

	GROUP		COMPANY	
	<u>30/06/2007</u>	<u>31/12/2006</u>	<u>30/06/2007</u>	<u>31/12/2006</u>
Fuel-other consumables	446.824,73	534.692,59	340.994,22	397.258,79
Spare parts	800.000,00	1.182.669,79	800.000,00	1.182.669,79
	<u>1.246.824,73</u>	<u>1.717.362,38</u>	<u>1.140.994,22</u>	<u>1.579.928,58</u>

12. Available for sale financial investments

	GROUP		COMPANY	
	<u>30/06/2007</u>	<u>31/12/2006</u>	<u>30/06/2007</u>	<u>31/12/2006</u>
A.N.E.N S.A.	26.952,31	26.952,31	26.952,31	26.952,31
L.A.N.E S.A.	14.673,51	14.673,51	14.673,51	14.673,51
CO-OPERATIVE BANK				
LESVOS - LIMNOS	64.915,63	64.915,63	64.915,63	64.915,63
MINOAN LINES S.A.	--	19.540,00	--	19.540,00
A.N.E.K. S.A.	--	15,20	--	15,20
HELLENIC SEAWAYS	3.500.000,00	3.500.000,00	--	--
	<u>3.606.541,45</u>	<u>3.626.096,65</u>	<u>106.541,45</u>	<u>126.096,65</u>

13. Cash and cash equivalents

	GROUP		COMPANY	
	<u>30/06/2007</u>	<u>31/12/2006</u>	<u>30/06/2007</u>	<u>31/12/2006</u>
Cash in hand	57.166,13	33.071,98	34.893,85	16.372,07
Short term bank deposits	5.947.145,52	7.010.231,76	2.692.768,69	5.692.267,71
	<u>6.004.311,65</u>	<u>7.043.303,74</u>	<u>2.727.662,54</u>	<u>5.708.639,78</u>

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14. Share capital – Purchase of Own Shares

	<u>30/06/2007</u>	<u>31/12/2006</u>
Number of shares	116.242.337	105.674.851
Common shares	116.242.337	105.674.851
Share capital	34.872.701,10	31.702.455,30

The total number of shares issued is 116.242.337, with a nominal value of Euro 0.30 per share. All the shares issued have been fully paid.

The share capital was increased in 2007 by Euro 3.170.245,80 (10.547.488 common shares of nominal value of Euro 0,30 each) as a result of a capitalization of the share premium according to the shareholders' decision of 24/6/2007 and Board of Directors decision of 25/06/2007 and it was registered under K2 10112/6.7.2007 relevant announcement. According to the article 16 par. 5 of the Law 2190/1920 and according to relevant decisions of the Annual Regular Shareholders General Assembly of 5/7/2006 and the Board of Directors decision 2/11/2006 the company has acquired 64.084 own shares for € 56.143,92. The decision for the purchase of 10.000.000 shares at the value of 0,30 to 3.00 Euro within one year period. The period was expired on 4/7/2007.

15. Provisions

	GROUP		COMPANY	
	<u>30/06/2007</u>	<u>31/12/2006</u>	<u>30/06/2007</u>	<u>31/12/2006</u>
Provisions for retirement compensations to employees				
Balance at beginning	200.847,00	291.397,63	170.847,00	261.397,63
Provisions unused	(30.000,00)	(90.550,63)	--	(90.550,63)
Provisions for the period	<u>50.028,00</u>	--	<u>50.028,00</u>	--
Total	<u>220.875,00</u>	<u>200.847,00</u>	<u>220.875,00</u>	<u>170.847,00</u>
Other provisions				
Provisions for the KAEO rights (note 16)	3.951.353,92	3.951.353,92	3.951.353,92	3.951.353,92
Other provisions	<u>500.000,00</u>	<u>500.000,00</u>	<u>500.000,00</u>	<u>500.000,00</u>
Total	<u>4.451.353,92</u>	<u>4.451.353,92</u>	<u>4.451.353,92</u>	<u>4.451.353,92</u>

Other provisions concern possible additional fair charge on account of the Retirement Seamens pension funds.

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16. Suppliers and other liabilities

	GROUP		COMPANY	
	<u>30/06/2007</u>	<u>31/12/2006</u>	<u>30/06/2007</u>	<u>31/12/2006</u>
Suppliers	13.288.755,15	8.168.266,59	10.202.400,04	5.656.614,47
Liabilities to Employees	1.009.397,82	700.931,99	706.132,99	485.489,49
Tax and other liabilities including pension contributions	6.975.624,34	6.174.050,60	5.015.091,30	4.802.957,00
Liabilities to company-major shareholders –controlled by a number of the Board of Directors	455.587,18	2.174.454,94	--	--
Customers prepayments	835.530,33	566.862,18	--	--
Other liabilities	14.866,55	35.504,59	14.866,55	35.504,59
Dividends of previous years	<u>1.139.607,03</u>	<u>1.139.607,03</u>	<u>1.139.607,03</u>	<u>1.139.607,03</u>
	<u>23.719.368,40</u>	<u>18.959.677,92</u>	<u>17.078.097,91</u>	<u>12.120.172,58</u>

Amount of Euro 7.030.000 (amount of Euro 3.079.000,00 is included in tax and other liabilities and Euro 3.951.000,00 is included in other provisions – note 15) is contingently payable to Seamens Pension Fund (NAT) and it represents Insurance premiums for of Passengers and Vehicles, according to Paper number 12 final assessment raised by the NAT. Given the dispute and contestation raised by the company for the amount in question, the Company proceeded in legal action disputing the latter final assessment, and at the same time it has applied for juridical protection in regard of the suspension of implementation of the relevant assessment, which was provided, according to the 1746/2005 Decision of Piraeus' Administrative Court of first instance, ordering the suspension of implementation up to the publication of the juridical decision. The above mentioned contestation went to trial on 14/02/2007 and the company is waiting for the jury decision to be issued.

17. Long term loans

	GROUP		COMPANY	
	<u>30/06/2007</u>	<u>31/12/2006</u>	<u>30/06/2007</u>	<u>31/12/2006</u>
Long term liabilities				
Debenture loan	543.856,20	543.856,20	543.856,20	543.856,20
Bank loans	54.893.935,93	54.628.750,51	37.216.500,00	37.916.500,00
	<u>55.437.792,13</u>	<u>55.172.606,71</u>	<u>37.760.356,20</u>	<u>38.460.356,20</u>
Short term liabilities				
Loans of vessels sold during 2007	--	51.100.000,00	--	39.000.000,00
Bank loans	13.282.849,92	11.089.823,84	9.669.453,01	7.538.542,69
Loans total	<u>68.720.642,05</u>	<u>117.362.430,55</u>	<u>47.429.809,21</u>	<u>84.998.898,89</u>

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17. Long term loans (cont'd)

The long term loans repayment schedule of the parent company is as follows:

	<u>30/06/2007</u>	<u>31/12/2006</u>
From 1 to 2 years	10.594.115,54	8.143.856,20
From 2 to 5 years	15.075.429,01	11.400.000,00
Over 5 years	12.090.811,65	18.916.500,00
	<u>37.760.356,20</u>	<u>38.460.356,20</u>

The parent company loan's book value (long term and short term) are expressed in the following currencies:

	<u>30/06/2007</u>	<u>31/12/2006</u>
Euro	45.818.139,45	83.346.233,74
\$ U.S.A 2.176.560,00	1.611.669,76	1.652.665,15

The long term loans repayment schedule of the group is as follows:

	<u>30/06/2007</u>	<u>31/12/2006</u>
From 1 to 2 years	19.118.075,62	15.874.327,76
From 2 to 5 years	18.314.042,69	14.669.851,67
Over 5 years	18.005.673,82	24.628.427,28
	<u>55.437.792,13</u>	<u>55.172.606,71</u>

The group loan's book value (long term and short term) are expressed in the following currencies:

	<u>30/06/2007</u>	<u>31/12/2006</u>
Euro	67.108.972,29	115.709.765,40
\$ U.S.A 2.176.560,00	1.611.669,76	1.652.665,15

For the security of the loans there are registered mortgages on the group vessels and properties as they are described in note 6.

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18. Provisions for accrued expenses

	GROUP		COMPANY	
	<u>30/06/2007</u>	<u>31/12/2006</u>	<u>30/06/2007</u>	<u>31/12/2006</u>
Loans interest	<u>1.390.566,21</u>	<u>1.827.752,01</u>	<u>630.571,72</u>	<u>892.307,78</u>
	<u>1.390.566,21</u>	<u>1.827.752,01</u>	<u>630.571,72</u>	<u>892.307,78</u>

19. Sales – Analysis by geographic sector

	GROUP		COMPANY	
	<u>30/06/2007</u>	<u>30/06/2006</u>	<u>30/06/2007</u>	<u>30/06/2006</u>
Revenue from fares	19.061.504,95	11.033.433,95	14.594.714,31	11.033.433,95
On Board Sales	2.361,57	10.083,19	2.361,57	10.083,19
	<u>19.063.866,52</u>	<u>11.043.517,14</u>	<u>14.597.075,88</u>	<u>11.043.517,14</u>

The period revenue of the parent company is analysed into operation categories:

- 611.0 “Sea and Coastal Transportations” € 14.008.600,74
- 703.2 “Restaurants and Bars” € 586.113,57
- 521.4 “General Stores” € 2.361,57

The period revenue of the group is analysed into operation categories:

- 611.0 “Sea and Coastal Transportations” € 18.452.419,62
- 703.2 “Restaurants and Bars” € 609.085,33
- 521.4 “General Stores” € 2.361,57

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Sales – Analysis by geographic sector (cont'd)

GROUP						
Geographical sector	Greek Coastal Navigation	Red Sea 01/01/30/06/2007	Total	Greek Coastal Navigation	Red Sea 01/01/30/06/2006	Total
Revenue from sales	17.350.148,62	1.102.271,00	18.452.419,62	10.485.949,66	-	10.485.949,66
Restaurants and Bars	609.085,33	-	609.085,33	547.484,29	-	547.484,29
Income from restaurants	-	-	-	10.083,19	-	10.083,19
Income from general stores	2.361,57	-	2.361,57	-	-	-
Total	17.961.595,52	1.102.271,00	19.063.866,52	11.043.517,14	-	11.043.517,14
Gross profit/(loss)	- 1.947.797,55	210.969,48	- 1.736.828,07	- 4.723.999,85	-	- 4.723.999,85
Financial profit/(loss)	4.239.791,81	16.564,32	4.256.356,13	- 1.993.362,98	-	- 1.993.362,98
			-			-
Profit before taxes, financing, investment results and depreciations	6.122.435,44	2.308,70	6.124.744,14	42.685.996,78	-	42.685.996,78
Profit before taxes	245.171,89	- 20.507,52	224.664,37	37.352.627,34	-	37.352.627,34
			-			-
Profit after taxes	245.171,89	- 20.507,52	224.664,37	37.352.627,34	-	37.352.627,34
Values of ships at the beginning of period	90.843.817,63		90.843.817,63	148.379.982,70	-	148.379.982,70
Additions on ships of period	13.545,43	213.177,40	226.722,83	4.811.019,29	-	4.811.019,29
Increase/(Decrease) on ships of period	7.600.000,00	-	7.600.000,00	- 9.000.000,00	-	- 9.000.000,00
Depreciations of ships	- 1.433.328,83	- 96.040,36	- 1.529.369,19	- 3.244.271,46	-	- 3.244.271,46
Change of routing of ships	- 5.307.629,71	5.307.629,71	-	-	-	-
Revaluation of ships	3.953.798,66	75.233,25	4.029.031,91	-	-	-
Net book value of ships 30/6/2007	95.670.203,18	5.500.000,00	101.170.203,18	140.946.730,53	-	140.946.730,53
Mortgage loans	53.216.284,14	1.611.669,76	54.827.953,90	65.228.490,12	-	65.228.490,12

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Sales – Analysis by geographic sector (cont'd)

<u>COMPANY</u>						
Geographical sector	Greek Coastal Navigation	Red Sea 01/01/30/06/2007	Total	Greek Coastal Navigation	Red Sea 01/01/30/06/2006	Total
Revenue from sales	12.906.329,74	1.102.271,00	14.008.600,74	10.485.949,66	-	10.485.949,66
Restaurants and Bars	586.113,57	-	586.113,57	547.484,29	-	547.484,29
Income from restaurants	-	-	-	10.083,19	-	10.083,19
Income from general stores	2.361,57	-	2.361,57	-	-	-
Total	13.494.804,88	1.102.271,00	14.597.075,88	11.043.517,14	-	11.043.517,14
Gross profit/(loss)	- 742.729,01	210.969,48	- 531.759,53	- 4.723.999,85	-	- 4.723.999,85
Financial profit/(loss)	3.034.791,41	16.564,32	3.051.355,73	- 1.993.362,98	-	- 1.993.362,98
			-			-
Profit before taxes, financing, investment results and depreciations	6.129.763,26	2.308,70	6.132.071,96	42.685.996,78	-	42.685.996,78
Profit before taxes	1.856.909,34	- 20.507,52	1.836.401,82	37.352.627,34	-	37.352.627,34
			-			-
Profit after taxes	1.856.909,34	- 20.507,52	1.836.401,82	37.352.627,34	-	37.352.627,34
Values of ships at the beginning of period	72.958.963,26		72.958.963,26	148.379.982,70	-	148.379.982,70
Additions on ships of period	3.982,00	213.177,40	217.159,40	4.811.019,29	-	4.811.019,29
Increase/(Decrease) on ships of period	7.600.000,00	-	7.600.000,00	- 9.000.000,00	-	- 9.000.000,00
Depreciations of ships	- 1.055.540,03	- 96.040,36	- 1.151.580,39	- 3.244.271,46	-	- 3.244.271,46
Change of routing of ships	- 5.307.629,71	5.307.629,71	-	-	-	-
Revaluation of ships	1.300.224,48	75.233,25	1.375.457,73	-	-	-
Net book value of ships 30/6/2007	75.500.000,00	5.500.000,00	81.000.000,00	140.946.730,53	-	140.946.730,53
Mortgage loans	42.141.500,00	1.611.669,76	43.753.169,76	65.228.490,12	-	65.228.490,12

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20. Other income

	GROUP		COMPANY	
	<u>30/06/2007</u>	<u>30/06/2006</u>	<u>30/06/2007</u>	<u>30/06/2006</u>
Profit from sale of ships (1)	3.875.224,22	--	1.551.424,16	--
Arrangement of payment of mortgage loan	--	55.180.587,13	--	55.180.587,13
Reverse of impairment of ships	7.600.000,00	--	7.600.000,00	--
Other income	1.089.931,30	1.360.984,24	1.045.745,31	1.360.984,24
	<u>12.565.155,52</u>	<u>56.541.571,37</u>	<u>10.197.169,47</u>	<u>56.541.571,37</u>

- (1) It concerns profit from the sale of ship of the parent company "AEOLOS KENTERIS" € 1.551.424,16 and profit from the sale of ship of the subsidiary C LINK FERRIES "Panagia Paros" € 2.323.800,06.

21. Other expenses

	GROUP		COMPANY	
	<u>30/06/2007</u>	<u>30/06/2006</u>	<u>30/06/2007</u>	<u>30/06/2006</u>
Agents commission	1.509.298,75	828.349,71	1.333.846,48	828.349,71
Maintenance	2.724.728,17	1.116.734,79	1.914.487,04	1.116.734,79
Insurance premiums	1.351.424,26	846.175,17	985.688,98	846.175,17
Provision of impairment of ships	--	9.000.000,00	--	9.000.000,00
Fees paid to third parties	1.813.093,04	778.628,49	1.383.482,05	778.628,49
Third parties expenses	285.992,08	236.083,24	261.308,23	236.083,24
Advertisement expenses	629.540,50	553.808,53	625.473,31	553.808,53
Harbor expenses	700.200,14	290.925,92	576.903,52	290.925,92
Other expenses	1.729.746,71	367.407,81	650.045,87	367.407,81
Total	<u>10.744.023,65</u>	<u>14.018.113,66</u>	<u>7.731.235,48</u>	<u>14.018.113,66</u>

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22. Remuneration of employees

	GROUP		COMPANY	
	<u>30/06/2007</u>	<u>30/06/2006</u>	<u>30/06/2007</u>	<u>30/06/2006</u>
Wages	6.120.624,76	4.339.767,86	4.321.170,52	4.339.767,86
Contributions to employees funds	817.036,77	593.786,81	615.228,32	593.786,81
Other	309.590,70	179.215,67	244.367,64	179.215,67
Compensation according to Law 2112/1920	94.107,56	129.131,15	80.971,56	129.131,15
	<u>7.341.359,79</u>	<u>5.241.901,49</u>	<u>5.261.738,04</u>	<u>5.241.901,49</u>

The number of employees on 30.06.2007 was 364 persons for the parent company and 480 persons for the group. The number of employees on 30.06.2006 was 414 persons for the company.

23. Depreciation

	GROUP		COMPANY	
	<u>30/06/2007</u>	<u>30/06/2006</u>	<u>30/06/2007</u>	<u>30/06/2006</u>
Buildings	16.176,46	6.250,43	6.250,44	6.250,43
Ships:				
AEOLOS KENTERIS	--	895.791,31	--	895.791,31
AEOLOS KENTERIS I	401.955,16	456.906,88	401.955,16	456.906,88
AEOLOS KENTERIS II	368.824,16	423.992,84	368.824,16	423.992,84
MITILINI	128.306,43	295.904,97	128.306,43	295.904,97
TAXIARCHES	96.040,36	435.737,69	96.040,36	435.737,69
THEOFILOS	156.454,28	735.937,77	156.454,28	735.937,77
PANAGIA HOZOVIOTISSA	39.420,73	--	--	--
PANAGIA TINOU	49.737,08	--	--	--
PANAGIA THALASSINI	288.630,99	--	--	--
PANAGIA PAROU	--	--	--	--
Other transportation means	1.663,35	--	--	--
Office and other equipment	72.971,32	43.479,17	64.632,50	43.479,17
Software programs	23.543,32	46.005,40	21.851,08	46.005,40
Total	<u>1.643.723,64</u>	<u>3.340.006,46</u>	<u>1.244.314,41</u>	<u>3.340.006,46</u>

For the ships Aeolos Kenteris and Panagia Parou no depreciation is calculated. The ships were sold on 5.4.2007 and the price was higher than the net book value on 31 December, 2006.

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24. Financial cost

	GROUP		COMPANY	
	<u>30/06/2007</u>	<u>30/06/2006</u>	<u>30/06/2007</u>	<u>30/06/2006</u>
Interest on Long term and Sort term Loans	4.318.470,09	2.112.691,16	3.102.925,31	2.112.691,16
Foreign Exchange Difference	(50.286,85)	(150.044,43)	(40.995,39)	(150.044,43)
Other expenses	(11.827,11)	30.716,25	(10.574,19)	30.716,25
	<u>4.256.356,13</u>	<u>1.993.362,98</u>	<u>3.051.355,73</u>	<u>1.993.362,98</u>

25. Earnings/(losses) per share

Profit or Loss per share applicable to nominal shareholders is calculated by the decision of the period Profit or Loss by the weighted average of the number of shares during the period.

For the calculation of profit or loss per share at consolidation level the combined profit and loss is divided by the weighted average number of shares during the period after deducting the rights of minority interest.

GROUP

	<u>30/06/2007</u>	<u>30/06/2006</u>
Earnings / (Losses)	224.664,37	37.352.627,34
Weighted average shares outstanding	105.674851	103.846.851
Earnings / (Losses) per share in Euro	(0,00)	0,36

COMPANY

	1.836.401,82	37.352.627,34
Earnings / (Losses)	1.836.401,82	37.352.627,34
Weighted average shares outstanding	105.674.851	103.846.851
Earnings / (Losses) per share in Euro	0,02	0,36

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26. Related parties transactions

	<u>GROUP</u>	<u>COMPANY</u>
Sales	170.000,00	--
Purchases	170.000,00	170.000,00
Receivables (1)	--	9.070.268,60
Liabilities	--	--
Transactions and wages with member of management	309.062,73	309.062,73
Receivables from members of management payable to members of management	--	--
Payable to the company's shareholders which is under the control of the members of the Board of Directors (2) and (note 16)	455.587,18	--

The transactions with the related parties are priced based on the usual trading practice.

- (1) Total amount of receivables € 9.070.268,60 includes claim from the participation in NEL LINES JOINT VENTURE € 5.610.557,32 and claim from C LINK FERRIES S.C. € 3.459.711,28.
- (2) Provisional facilitation of NEL major shareholder to the subsidiary C LINK FERRIES S.C..

Participation of members of the Board of Directors in the Board of Directors of other companies

Member	Company	Point
Apostolos Ventouris	C LINK FERRIES SC	Chairman/official representative
	Brockwood Shipping Inc	Chairman/official representative
	Edgewater Holdings Inc	Chairman/official representative
	Secure Com E.II.E.	Administrator
	Aveco Holdings Inc	Chairman/official representative
Sokratis Kavvadias	Edgewater Holdings Inc	Secretary/Cashier
	Renate Trading	Only director
	C-LINK FERRIES S.C.	Secretary
Theoharis Papageorgiou	Aveco Holdings Inc	Member

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27. Contingent liabilities

- 27.1. Letter of guarantee of GDR 375,000,000 or Euro 1.100.513,58 for coverage of initial claim by court of law for third parties claims, until the final issue of decision by court of law.
- 27.2. Other letter of guarantee of € 24.944,97 for coverage of liabilities.
- 27.3. Additional insurance contributions to Pension Funds which may result from final assessment.
- 27.4. Taxes, excluding income tax (note 3.12.), which may result by the tax audit for the non-audited fiscal years 2005 of the parent company.
- 27.5. NEL LINES JOINT VENTURE has not been audited for 2006 by the Greek Tax Authorities.
- 27.6. C LINK FERRIES SC. has been audited by tax authorities until 2005 (included).
- 27.7. Letter of guarantee of € 688.584,00 in favour of Ministry of Aigaion for participation to public competition.
- 27.8. There are claims of € 130.978,69 by employees against C LINK FERRIES SC.

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28. Events after the Balance Sheet Date

The second statutory Annual Shareholders General Meeting of 25/6/2007 approved unanimously the Board of Directors suggestion for the adoption of a stock option program in accordance with article 13 par. 9 of the Law 2190/1920. The main characteristics of the program are as follows:

Duration of the program: One year i.e. for 2007.
 Beneficiaries: The members of the Board of Directors (except of the independent members) and employees of the company and of its subsidiaries after evaluation by the Board of Directors.

Main feature of the rights are: The proportion of exchange will be one for one.

Price of shares: Nominal value plus 30%..

The ships Aeolos Kenteris I and Aeolos Kenteris II after the successful replacement of its main engines, started routes on May 2007 on the itinerary PIRAEUS – RETHYMNO – PIRAEUS and PIRAEUS – PAROS – NAXOS – PAROS – PIRAEUS.

Mitilini 24 August, 2007

The President

CEO – Executive Member

Vice President

Ioannis Sifakis
ID. I 780578

Apostolos Ventouris
I.D. P686232

Theocharis Papageorgiou
I.D. Σ 187789