



MINOAN LINES SHIPPING S.A.

Financial Statements **for the period (1/1 – 30/9/2007)**

In accordance with International Accounting Standard 34 (Interim Financial Reporting)

The accompanying financial statements have been approved by the Board of Directors on 15/11/2007 and have been uploaded to the Company's web site www.minoan.gr

Table of Contents

Review – Nine month period 2007			
Financial statements for the period (1/1 – 30/9/2007)			Page
		Income Statement	1
		Balance Sheet	2
		Statement of changes in Equity	3
		Consolidated Statement of changes in Equity	4
		Statement of Cash Flows	5
Notes to the interim financial statements for the period (1/1 – 30/9/2007)			
General Information	1	General Company's Information	6
	2	Statement of Compliance	7
	3	Significant Accounting Policies	7
	4	Estimates	7
	5	New Standards and Interpretations	7
Financial Results	6	Revenue	7
	7	Cost of sales	8
	8	Other operating income	8
	9	Financial income	8
	10	Financial expenses	8
	11	Personnel expenses	8
	12	Income Tax	8
Assets	13	Property, plant , equipment	9
	14	Investments in subsidiaries	10
	15	Investments in associates	10
	16	Other financial assets	10
	17	Inventories	11
	18	Trade and Other receivables-Other current assets	11
	19	Cash and Cash equivalents	11
	20	Non – current assets held for sale	11
Equity and Liabilities	21	Share capital – Share premium	11
	22	Reserves	11
	23	Dividends	12
	24	Long term debt and current portion of long-term interest bearing loans and borrowings	12
	25	Employee defined benefit obligations	12
	26	Deferred government grants	13
	27	Trade and other payables	13
Other Information	28	Financial instruments	14
	28.1	Interest rate, fuel price – credit – foreign currency risks	14
	28.2	Effective interest rates	15
	28.3	Fair values	15
	29	Analysis of business activities by geographical segment	15
	30	Earnings per share	16
	31	Related party transactions	16
	31.1	Subsidiaries	17
	31.2	Associates	17
	31.3	Members of the Board of Directors and management	18
	32	Contingent liabilities	18
33	Subsequent events	19	

REVIEW – nine month period 2007

- **Financial results**

The Company

The Revenue reached € 155.6 million against € 165.0 million of the respective period of 2006, reduced by 5.7%. This reduction is exclusively owing to the fact, that the Company ran its business with one vessel less (sale of H/S/F ARIADNE PALACE in December 2006). The Operating Profit was shaped at € 44.5% versus 42.2% of the respective 2006 period, increased by 5.5%. Analogical effects present the related operating margin which reached 28.6% against 25.6% of the last year's respective period.

The Net profit was significantly improved reaching € 14.8 million against € 11.4 million of the respective 2006 nine-month period, showing an increase of 28.9%.

The Group

At Group level, the net profits reached € 26.3 million against 17.6 million, improved by 49.2%.

The observed increase of the Group financial statements is attributed to the improvement of the financial results so of the parent as of the associated company Hellenic Seaways. In particular, the Revenue of HSW for the nine-month period of 2007, was increased by 8.7% (from € 144.4 million in 2006 to € 156.9 million in 2007) while the Net profit shaped at € 34.6 million showing an improvement of 85.8% in relation to the 2006 respective period.

- **Traffic Volumes**

The Company operated its business with four vessels in North Adriatic Routes (Venice and Ancona lines) and two vessels in Piraeus – Heraklion route.

North Adriatic sea routes (Ancona and Venice line)

Regarding to Ancona and Venice lines traffic performance, the reduction of the trips by 15.4% resulted to the decline of the Company's total traffic volumes which, in any case, is less of the respective reduction of the trips in each traffic category.

North Italy (Ancona – Venice)

Traffic (in thous.)	2007	2006	Change (%)
Passengers	456	496	-8.1
Cars	121	130	-7.0
Trucks	60	68	-12.2
Trips	765	904	-15.4

Hellenic coastal sea routes (Heraklion – Piraeus line)

In Heraklion – Piraeus route, the Company achieved to increase its volumes in each traffic category increasing its leading market shares.

Heraklion –Piraeus route

Traffic (in thous.)	2007	2006	Change (%)
Passengers	806	771	4.6
Cars	109	102	6.9
Trucks	53	50	7.0
Trips	649	626	3.7

INCOME STATEMENT

	Note	The Group				The Company			
		1/1-30/9/2007	1/7-30/9/2007	1/1-30/9/2006	1/7-30/9/2006	1/1-30/9/2007	1/7-30/9/2007	1/1-30/9/2006	1/7-30/9/2006
Revenue	6	155,741,401.76	71,890,228.05	165,128,301.87	80,282,225.94	155,564,535.33	71,796,649.31	164,979,825.51	80,211,010.29
Cost of Sales	7	-102,175,816.35	-40,124,604.69	-115,340,515.34	-45,875,055.28	-102,095,122.64	-40,074,450.03	-115,283,208.53	-45,828,158.82
Gross Profit		53,565,585.41	31,765,623.36	49,787,786.53	34,407,170.66	53,469,412.69	31,722,199.28	49,696,616.98	34,382,851.47
Other Operating Income	8	316,861.90	148,254.82	546,489.31	382,026.54	363,408.79	164,858.80	560,840.98	393,360.69
Distribution expenses		-15,367,051.71	-7,574,857.56	-15,154,105.83	-7,249,401.81	-15,357,439.03	-7,569,261.51	-15,135,186.28	-7,240,208.74
Administrative expenses		-6,814,633.59	-2,300,445.25	-7,559,588.99	-2,242,921.09	-6,772,625.41	-2,298,430.80	-7,470,286.52	-2,237,840.65
Other Operating expenses		-42,548.44	-8,463.41	-69,204.62	-5,144.99	-42,548.44	-8,463.41	-69,204.62	-5,144.99
Operating profit before financing costs		31,658,213.57	22,030,111.96	27,551,376.40	25,291,729.31	31,660,208.60	22,010,902.36	27,582,780.54	25,293,017.78
Financial income	9	1,549,419.88	616,418.13	2,286,405.01	354,573.07	1,566,428.27	615,234.85	2,255,322.27	222,016.74
Financial expenses	10	-18,471,711.82	-6,094,130.15	-19,814,044.54	-7,077,830.21	-18,462,357.57	-6,090,679.98	-19,804,520.42	-7,075,058.35
Share of Profit (Loss) of affiliates	15	11,567,486.58	11,323,163.42	6,197,775.50	6,615,516.32	-	-	-	-
Profit/(Loss) before tax		26,303,408.21	27,875,563.36	16,221,512.37	25,183,988.49	14,764,279.30	16,535,457.23	10,033,582.39	18,439,976.17
Income Tax expense	12	-17,221.94	-8,571.39	1,417,338.32	-30,741.30	-3,519.48	-3,519.48	1,418,370.27	-34,890.10
Profit/(Loss) after tax		26,286,186.27	27,866,991.97	17,638,850.69	25,153,247.19	14,760,759.82	16,531,937.75	11,451,952.66	18,405,086.07
Attributable to :									
Equity holders of the parent		26,288,480.83	27,867,342.04	17,617,084.50	25,127,975.82	14,760,759.82	16,531,937.75	11,451,952.66	18,405,086.07
Minority Interest		-2,294.56	-350.07	21,766.19	25,271.37	-	-	-	-
Basic and Diluted earnings per Share after Tax (in €)	30	0.37	0.39	0.25	0.35	0.21	0.23	0.16	0.26

The accompanying notes on pages 6 – 19 are integral part of the Interim Financial Statements

BALANCE SHEET

	Note	The Group		The Company	
		30/9/2007	31/12/2006	30/9/2007	31/12/2006
<u>Assets</u>					
Non – current assets					
Property, plant and equipment	13	551,591,422.82	563,644,681.51	551,591,296.22	563,644,175.87
Investments in subsidiaries	14	-	-	3,478,021.47	3,478,021.47
Investments in associates	15	82,728,009.88	69,505,352.00	66,185,097.17	66,080,097.17
Other Financial Assets	16	5,329,766.96	4,311,622.45	5,329,766.96	4,311,622.45
Other long term assets		22,534.33	31,079.19	22,534.33	31,079.19
Total non – current assets		639,671,733.99	637,492,735.15	626,606,716.15	637,544,996.15
Current assets					
Inventories	17	4,550,164.76	4,030,255.95	4,550,164.76	4,030,255.95
Trade and other receivables	18	55,180,869.70	52,402,104.12	55,115,452.76	52,150,215.08
Available for sale securities		74,900.64	64,900.64	74,900.64	64,900.64
Other current assets	18	4,048,822.50	7,251,816.47	4,041,169.55	7,250,064.47
Cash and cash equivalents	19	2,112,727.92	16,800,487.88	1,781,792.69	16,596,091.98
Non – current assets held for sale	20	5,200,000.05	5,200,000.05	-	-
Total current assets		71,167,485.57	85,749,565.11	65,563,480.40	80,091,528.12
Total Assets		710,839,219.56	723,242,300.26	692,170,196.55	717,636,524.27
<u>Equity and liabilities</u>					
Equity					
Share capital	21	159,583,500.00	159,583,500.00	159,583,500.00	159,583,500.00
Share premium	21	26,942,576.38	26,942,576.38	26,942,576.38	26,942,576.38
Fair value and hedge reserves	16, 18, 28	7,407,317.36	3,512,306.39	5,791,651.57	3,446,811.90
Other reserves	22	57,752,265.18	57,752,265.18	57,732,295.73	57,732,295.73
Retained earnings		45,054,818.19	28,341,347.36	28,112,463.79	22,926,713.97
Total Equity attributable to equity holders of the parent		296,740,477.11	276,131,995.31	278,162,487.47	270,631,897.98
Minority Interest		66,488.66	68,783.22	-	-
Total Equity		296,806,965.77	276,200,778.53	278,162,487.47	270,631,897.98
Non – current liabilities					
Interest-bearing loans and borrowings	24	257,299,854.36	339,835,685.36	257,299,854.36	339,835,685.36
Employee defined benefit obligations	25	2,508,909.31	2,321,825.80	2,508,909.31	2,321,825.80
Deferred government grants	26	5,044,545.32	5,189,385.78	5,044,545.32	5,189,385.78
Total Non – current liabilities		264,853,308.99	347,346,896.94	264,853,308.99	347,346,896.94
Current liabilities					
Short Term Liabilities	24	16,565,387.31	35,072,877.45	16,565,387.31	35,072,877.45
Current portion of interest -bearing loans and borrowings	24	92,400,629.00	25,729,596.00	92,400,629.00	25,729,596.00
Trade and other payables	27	40,212,928.49	38,892,151.34	40,188,383.78	38,855,255.90
Total current liabilities		149,178,944.80	99,694,624.79	149,154,400.09	99,657,729.35
Total liabilities		414,032,253.79	447,041,521.73	414,007,709.08	447,004,626.29
Total Equity and Liabilities		710,839,219.56	723,242,300.26	692,170,196.55	717,636,524.27

The accompanying notes on pages 6 – 19 are integral part of the Interim Financial Statements

Statement of changes in Equity

	Share Capital	Share Premium	Fair Value Reserves	Hedge Reserves	Other Reserves	Retained Earnings	Total Equity
Balance as at 1/1/2006	159,583,500.00	26,942,576.38	-	-	69,216,024.12	-6,830,451.19	248,911,649.31
<u>Changes in equity 1/1 – 30/9/2006</u>							
Net Profit for the period 1/1 – 30/9/2006	-	-	-	-	-	11,451,952.66	11,451,952.66
Total recognized income and expense for the period ended	-	-	-	-	-	11,451,952.66	11,451,952.66
Transfer from other reserves to offset prior years' accumulated losses	-	-	-	-	-12,397,728.39	12,397,728.39	-
Balance as at 30/9/2006	159,583,500.00	26,942,576.38	-	-	56,818,295.73	17,019,229.86	260,363,601.97
Balance as at 1/1/2007	159,583,500.00	26,942,576.38	-	3,446,811.90	57,732,295.73	22,926,713.97	270,631,897.98
<u>Changes in equity 1/1 – 30/9/2007</u>							
Change in fair value of derivative financial instruments	-	-	-	2,344,839.67	-	-	2,344,839.67
Net Profit for the period 1/1 – 30/9/2007	-	-	-	-	-	14,760,759.82	14,760,759.82
Total recognized income and expense for the period ended	-	-	-	2,344,839.67	-	14,760,759.82	17,105,599.49
Dividends paid						-9,575,010.00	-9,575,010.00
Balance as at 30/9/2007	159,583,500.00	26,942,576.38	-	5,791,651.57	57,732,295.73	28,112,463.79	278,162,487.47

The accompanying notes on pages 6 – 19 are integral part of the Interim Financial Statements

Consolidated Statement of changes in Equity

	Attributable to the shareholders of the parent						Total Shareholders Equity	Minority Interest	Total Equity
	Share Capital	Share Premium	Fair Value Reserves	Hedge Reserves	Other Reserves	Retained Earnings			
Balance as at 1/1/2006	159,583,500.00	26,942,576.38	-	-	69,252,152.85	-4,761,880.46	251,016,348.77	54,791.97	251,071,140.74
Changes in equity 1/1 – 30/9/2006									
Change in fair value of derivative financial instruments	-	-	427,160.59	-	-	-	427,160.59	-	427,160.59
Net Profit for the period 1/1 – 30/9/2006	-	-	-	-	-	17,617,084.50	17,617,084.50	21,766.19	17,638,850.69
Total recognized income and expense for the period ended	-	-	427,160.59	-	-	17,617,084.50	18,044,245.09	21,766.19	18,066,011.28
Equity transfer	-	-	-	-	-17,143.83	17,143.83	-	-7,090.57	-7,090.57
Disposal from other reserves to offset prior years' accumulated losses	-	-	-	-	-12,397,728.39	12,397,728.39	-	-	-
Balance as at 30/9/2006	159,583,500.00	26,942,576.38	427,160.59		56,837,280.63	25,270,076.26	269,060,593.86	69,467.59	269,130,061.45
Balance as at 1/1/2007	159,583,500.00	26,942,576.38	508,009.81	3,004,296.58	57,752,265.18	28,341,347.36	276,131,995.31	68,783.22	276,200,778.53
Changes in equity 1/1 – 30/9/2007									
Change in fair value of derivative financial instruments	-	-	-	3,428,717.60	-	-	3,428,717.60	-	3,428,717.60
Change in fair value of available for sale securities	-	-	466,293.37	-	-	-	466,293.37	-	466,293.37
Net Profit for the period 1/1 – 30/9/2007	-	-	-	-	-	26,288,480.83	26,288,480.83	-2,294.56	26,286,186.27
Total recognized income and expense for the period ended	-	-	466,293.37	3,428,717.60	-	26,288,480.83	30,183,491.80	-2,294.56	30,181,197.24
Dividends paid	-	-	-	-	-	-9,575,010.00	-9,575,010.00	-	-9,575,010.00
Balance as at 30/9/2007	159,583,500.00	26,942,576.38	974,303.18	6,433,014.18	57,752,265.18	45,054,818.19	296,740,477.11	66,488.66	296,806,965.77

The accompanying notes on pages 6 – 19 are integral part of the Interim Financial Statement

STATEMENT OF CASH FLOWS

	The Group		The Company	
	1/1 – 30/9/2007	1/1 - 30/9/2006	1/1 – 30/9/2007	1/1 - 30/9/2006
<u>Cash flow from Operating Activities</u>				
Profit before tax	26,303,408.21	16,221,512.37	14,764,279.30	10,033,582.39
<i>Adjustments for:</i>				
Depreciation and amortization	12,864,817.19	14,629,426.16	12,864,438.15	14,629,426.16
Provisions	512,903.49	1,677,581.56	512,903.49	1,677,581.56
Unrealized Foreign Exchange Differences	-17,253.26	-	-17,253.26	-
Gain (Loss) from tangible asset disposal	-11,591,566.12	-8,472,653.30	-24,079.54	-2,243,795.06
Financial expenses	18,471,711.82	19,737,486.13	18,462,357.57	19,727,962.01
Other non – monetary expenses/(income)	-143,802.95	-115,904.56	-143,802.95	-115,934.58
Operating results before changes in working capital	46,400,218.38	43,677,448.36	46,418,842.76	43,708,822.48
Increase in inventories	-519,908.81	-870,603.99	-519,908.81	-870,603.99
Decrease (Increase) in trade and other receivables	924,218.35	-28,721,567.47	743,647.20	-28,754,987.68
Decrease (Increase) in liabilities (other than borrowings)	-1,557,080.90	13,527,746.47	-1,550,481.60	13,551,395.01
Interest and related expenses paid	-16,232,783.66	-17,245,883.75	-16,223,429.41	-17,236,359.63
Taxes paid	1,037,435.15	577,485.81	1,056,889.04	578,517.76
Cash flows from operating activities (a)	30,052,098.51	10,944,625.43	29,925,559.18	10,976,783.95
<u>Cash flow from investing activities</u>				
Acquisition of subsidiaries and associates net of cash	-115,000.00	-	-115,000.00	-59,970.00
Purchase of tangible and intangible assets	-818,763.57	-480,823.77	-818,763.57	-480,823.77
Proceeds from property, plant and equipment and investments disposal	6,167.56	1,772,104.70	6,167.56	1,772,104.70
Decrease /(Increase) in other long-term assets	8,544.86	-490.51	8,544.86	-508.12
Interest income received	-	848,448.03	-	715,330.08
Dividends received	24,079.54	148,212.98	24,079.54	162,492.19
Cash flows from investing activities (b)	-894,971.61	2,287,451.43	-894,971.61	2,108,625.08
<u>Cash flow from financing activities</u>				
Proceeds from the issue of long-term borrowings	-	2,000,000.00	-	2,000,000.00
Repayment of long/short term borrowings	-34,372,288.14	-17,601,000.00	-34,372,288.14	-17,601,000.00
Repayment of finance lease liabilities	-39,316.67	-77,873.31	-39,316.67	-77,873.31
Dividends paid	-9,433,282.05	-208,552.20	-9,433,282.05	-208,552.15
Cash Flow from financing activities (c)	-43,844,886.86	-15,887,425.51	-43,844,886.86	-15,887,425.46
Net Decrease in cash and cash equivalents (a) + (b) + (c)	-14,687,759.96	-2,655,348.65	-14,814,299.29	-2,802,016.43
Cash and cash equivalents at the beginning of the period	16,800,487.88	4,342,769.57	16,596,091.98	4,211,617.78
Cash and cash equivalents at the end of the period	2,112,727.92	1,687,420.92	1,781,792.69	1,409,601.35

The accompanying notes on pages 6 – 19 are integral part of the Interim Financial Statements

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD (1/1- 30/9/2007)

1. General Company's Information

The Company was established on 25/05/1972 (FEK 939–25/5/1972), is based in the Heraklion Crete Municipality and its discrete name is “MINOAN LINES S.A.”. It operates in the Ferry shipping sector both in Domestic and International sea routes.

The number of the personnel employed for the period ended 30/09/2007 and 30/09/2006 was 872 and 964, respectively.

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

The total number of ordinary shares outstanding at 30/9/2007 was 70,926,000, while the total market capitalization reached € 383,000,400.00. Every share carries one voting right.

The Company's share participates in the composition of the following Athens Stock Exchange indices:

<u>Index</u>	<u>Code</u>
Athex Composite Share Price Index	GD
FTSE / Athex Travel-Leisure	DTA
FTSE / Athex International	FTSEI
FTSE / Athex 140	FTSEA
FTSE / Med 100 (from 21/05/2007)	FTSEMD
Athex Composite Index Total Return Index	SAGD
Eurobank Mid Cap Private Sector 50 Index	EPS50
Athex All Share Index	DOM

The General Shareholders' Meeting elects the Board of Directors. The Board of Directors consists of twelve members (12) of which three (3) are executive, four (4) are non-executive and five (5) are non-executive-independent members.

The interim financial statements for the period ended 30/9/2007 include the stand alone financial statements and the consolidated financial statements (the “financial statements”). The consolidated financial statements include the Company and its subsidiaries (the Group), as well as the participation of the Group in the associates.

The subsidiaries and associates that are included in the consolidated financial statements along with the respective percentages of participation that parent Company holds either directly or indirectly are outlined in the table below :

<u>Name</u>	<u>Headquarters</u>	<u>% Participation</u>	
		<u>30/9/2007</u>	<u>31/12/2006</u>
Kritiki Filoxenia S.A.	Heraklion	99.99%	99.99%
Minoan Escape S.A.	Heraklion	99.95%	99.95%
Minoan Cruises S.A.	Heraklion	80.28%	80.28%
Athina A.V.E.E.	Heraklion	99.99%	99.99%
Hellenic Seaways S.A.	Piraeus	33.35%	33.31%
European Thalassic Agencies shipping management & consultants S.A.*	Panamas	100.00%	100.00%
Mediterranean Ferries S.r.l.*	Genova	50.00%	50.00%

* The companies are in liquidation.

The financial statements for the period ended 30/9/2007 have been approved by the Board of Directors' meeting on 15/11/2007.

2. Statement of Compliance

The interim financial statements have been prepared in accordance with International Accounting Standard 34 (I.A.S. 34) “Interim Financial Reporting” and International Financial Reporting Standards (I.F.R.S.) and Interpretations issued by the International Accounting Standards Board and adopted by the European Union.

3. Significant Accounting Policies

The accounting policies applied for the preparation of the interim financial statements at 30/9/2007 are the same as those that had been applied for the preparation of the annual financial statements at 31/12/2006. A comprehensive description of these policies can be reviewed in the Company’s web site: www.minoan.gr

4. Estimates

The preparation of the interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The actual results may differ from these estimates. Information about significant estimates and critical judgments in applying accounting policies that have significant effect on the interim financial statements as well as about those which involve potential adjustment risks for the next fiscal year do not differ from those applied to the annual financial statements at 31/12/2006.

5. New Standards and Interpretations

The International Accounting Standards Board and the Interpretations Committee have issued a number of new accounting standards and interpretations as well as amendments of to the standards, which are effective for accounting periods that commenced from 1/1/2007 and thereafter.

- I.F.R.S. 7 *Financial Instruments – Disclosures and complementary amendment to I.A.S.1 Capital Disclosures* : I.F.R.S. 7 and amendment to I.A.S.1, becomes effective for accounting periods beginning on or after 1/1/2007. I.F.R.S.7 requires additional qualitative and quantitative disclosures about the financial instruments and the risks of an entity. The amendment to I.A.S.1 requires disclosures about the level of an entity’s capital.
- I.F.R.S. 8 *Operating segments*: requires that segment reporting is based on information used by management in order to allocate resources and evaluate performance of each segment. IFRS 8 will become effective for accounting periods beginning on or after 1/1/2009 and is not expected to have an impact on the financial statements.
- I.F.R.I.C. 11 *Group and Treasury Share Transactions* : I.F.R.I.C. 11 requires arrangements whereby an employee is granted rights to an entity’s equity instrument and becomes effective for accounting periods beginning on or after 1/3/2007. The adoption of I.F.R.I.C. 11 did not have an impact on the financial statements.

6. Revenue

	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2007</u>	<u>30/9/2006</u>	<u>30/9/2007</u>	<u>30/9/2006</u>
Revenue from Vessel Operations	127,964,462.84	138,211,433.83	128,033,258.34	138,268,698.08
Revenue from restaurant – bars	15,524,878.76	15,739,290.81	15,524,878.76	15,739,290.81
Revenue from shops on board	10,192,794.74	9,571,886.82	10,192,794.74	9,571,886.82
Revenue from slot machines	1,813,603.49	1,399,949.80	1,813,603.49	1,399,949.80
Revenue from travel agencies	186,697.50	148,591.33	-	-
Rental income	58,964.43	57,149.28	-	-
Totals	155,741,401.76	165,128,301.87	155,564,535.33	164,979,825.51

7. Cost of sales

	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2007</u>	<u>30/9/2006</u>	<u>30/9/2007</u>	<u>30/9/2006</u>
Crew Salaries and employer's contribution	22,390,141.16	23,724,532.52	22,390,141.16	23,724,532.52
Bunkers and Lubricants	40,163,440.82	49,601,095.38	40,163,440.82	49,601,095.38
Repairs – Maintenance - Consumables – Salaries and technical work expenses	6,145,448.71	6,425,439.48	6,145,448.71	6,425,439.48
Food – Beverages – Shops merchandize	10,359,561.81	10,242,695.64	10,359,561.81	10,242,695.64
Other Costs	10,748,614.19	11,312,474.94	10,667,920.48	11,255,168.13
Depreciation	12,368,609.66	14,034,277.38	12,368,609.66	14,034,277.38
Totals	102,175,816.35	115,340,515.34	102,095,122.64	115,283,208.53

8. Other operating income

	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2007</u>	<u>30/9/2006</u>	<u>30/9/2007</u>	<u>30/9/2006</u>
Gains from the sale of property-plant and equipment	-	65,031.20	-	65,031.20
Commissions	127,221.57	114,593.14	127,221.57	114,593.14
Income from services to third parties	7,311.71	-	46,237.97	18,583.68
Rental income	31,336.72	27,981.28	38,957.35	33,539.01
Revenue from Government Grants	113,456.11	280,571.90	113,456.11	280,571.90
Revenue from prior years' provisions	26,002.59	-	26,002.59	-
Other Revenue	11,533.20	58,311.79	11,533.20	48,522.05
Totals	316,861.90	546,489.31	363,408.79	560,840.98

9. Financial income

	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2007</u>	<u>30/9/2006</u>	<u>30/9/2007</u>	<u>30/9/2006</u>
Dividend Income from securities	5,373.02	77,598.09	24,079.54	162,492.19
Gain on disposal of investments and available for sale securities	-	1,360,358.89	-	1,377,500.00
Foreign exchange gains	91,603.77	224,774.76	91,603.77	224,774.76
Interest and other related income	24,912.98	149,957.15	23,214.85	16,839.20
Interest rate swap income	1,427,530.11	473,716.12	1,427,530.11	473,716.12
Totals	1,549,419.88	2,286,405.01	1,566,428.27	2,255,322.27

10. Financial expenses

	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2007</u>	<u>30/9/2006</u>	<u>30/9/2007</u>	<u>30/9/2006</u>
Interest expenses & bank commissions	17,824,710.53	19,185,096.26	17,824,583.83	19,184,980.61
Loss on disposal of investments and available for sale securities	65,962.38	76,558.41	65,962.38	76,558.41
Commissions on Letters of Guarantee	15,140.27	25,162.49	6,965.09	15,754.02
Credit card commissions	147,563.94	115,956.95	146,511.57	115,956.95
Foreign exchange losses	40,508.11	33,443.84	40,508.11	33,443.84
Amortization of Loans Restructuring Cost	377,826.59	377,826.59	377,826.59	377,826.59
Totals	18,471,711.82	19,814,044.54	18,462,357.57	19,804,520.42

11. Personnel expenses

	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2007</u>	<u>30/9/2006</u>	<u>30/9/2007</u>	<u>30/9/2006</u>
Salaries and wages	26,917,323.01	28,031,977.06	26,917,323.01	28,031,977.06
Social security contributions	3,178,689.14	3,281,092.83	3,178,689.14	3,281,092.83
Other personnel expenses	266,054.29	289,969.85	266,054.29	289,969.85
Employee Defined Benefit obligation	234,172.75	177,872.00	234,172.75	177,872.00
Totals	30,596,239.19	31,780,911.74	30,596,239.19	31,780,911.74

12. Income Tax

The income tax of € 1,418,370.27, as presented in the income statement at 30/9/2006 refers to the income tax refund derived from the adjustments made after the completion of the tax authorities audit effected on the Parent's un-audited fiscal years.

13. Property, plant, equipment

	The Group						
	<u>Land</u>	<u>Buildings Technical works</u>	<u>Transportation Equipment</u>	<u>Vessels</u>	<u>Furniture and Other Equipment</u>	<u>Computer Software</u>	<u>Totals</u>
Cost 1/1/2006	8,144,535.60	8,378,973.40	174,393.68	688,007,961.19	3,961,076.40	2,266,727.49	710,933,667.76
Acquisitions and additions 2006	-	-	13,748.80	499,186.58	238,438.12	82,837.80	834,211.30
Less: Disposals for the year 2006	428,793.60	266,355.00	26,218.94	84,034,442.41	266,358.30	43,185.15	85,065,353.40
Less: Transfer to the assets held for sale	5,200,000.00	816,060.35	-	-	-	-	6,016,060.35
Carrying amounts 31/12/2006	2,515,742.00	7,296,558.05	161,923.54	604,472,705.36	3,933,156.22	2,306,380.14	620,686,465.31
Cost 1/1/2007	2,515,742.00	7,296,558.05	161,923.54	604,472,705.36	3,933,156.22	2,306,380.14	620,686,465.31
Acquisitions and additions 1/1- 30/9/2007	-	-	-	214,551.82	577,136.43	27,075.32	818,763.57
Less: Disposals 1/1 – 30/9/2007	-	-	-	19,556.60	175,966.45	-	195,523.05
Carrying amounts 30/9/2007	2,515,742.00	7,296,558.05	161,923.54	604,667,700.58	4,334,326.20	2,333,455.46	621,309,705.83
Accumulated Depreciation 1/1/2006	-	1,503,438.29	127,488.40	39,001,568.61	3,397,793.86	1,995,813.81	46,026,102.97
Depreciation for the year ended 2006	-	340,914.47	11,806.80	18,629,709.79	241,742.62	174,008.40	19,398,182.08
Less: Disposed assets accumulated depreciation	-	97,108.61	13,153.64	7,229,586.78	186,561.07	40,030.85	7,566,440.95
Less: Accumulated depreciation of assets classified as assets held for sale	-	816,060.30	-	-	-	-	816,060.30
Total Accumulated Depreciation 31/12/2006	-	931,183.85	126,141.56	50,401,691.62	3,452,975.41	2,129,791.36	57,041,783.80
Accumulated Depreciation 1/1/2007	-	931,183.85	126,141.56	50,401,691.62	3,452,975.41	2,129,791.36	57,041,783.80
Depreciation 1/1 – 30/9/2007	-	232,795.98	7,033.63	12,368,609.66	186,324.09	70,053.83	12,864,817.19
Less: Disposed assets depreciation 1/1-30/9/2007	-	-	-	19,414.87	168,903.11	-	188,317.98
Total Accumulated Depreciation 30/9/2007	-	1,163,979.83	133,175.19	62,750,886.41	3,470,396.39	2,199,845.19	69,718,283.01
Net book value							
at 1/1/2006	8,144,535.60	6,875,535.11	46,905.28	649,006,392.58	563,282.54	270,913.68	664,907,564.79
at 31/12/2006	2,515,742.00	6,365,374.20	35,781.98	554,071,013.74	480,180.81	176,588.78	563,644,681.51
At 30/9/2007	2,515,742.00	6,132,578.22	28,748.35	541,916,814.17	863,929.81	133,610.27	551,591,422.82

	The Company						
	<u>Land</u>	<u>Buildings Technical works</u>	<u>Transportation Equipment</u>	<u>Vessels</u>	<u>Furniture and Other Equipment</u>	<u>Computer Software</u>	<u>Totals</u>
Cost 1/1/2006	2,944,535.60	7,562,913.05	157,129.36	688,007,961.19	3,903,628.08	2,266,727.49	704,842,894.77
Acquisitions and additions 2006	-	-	13,748.80	499,186.58	237,760.08	82,837.80	833,533.26
Less: Disposals for the year 2006	428,793.60	266,355.00	8,954.62	84,034,442.41	216,218.31	43,185.15	84,997,949.09
Carrying amounts 31/12/2006	2,515,742.00	7,296,558.05	161,923.54	604,472,705.36	3,925,169.85	2,306,380.14	620,678,478.94
Cost 1/1/2007	2,515,742.00	7,296,558.05	161,923.54	604,472,705.36	3,925,169.85	2,306,380.14	620,678,478.94
Acquisitions and additions 1/1-30/9/2007	-	-	-	214,551.82	577,136.43	27,075.32	818,763.57
Less: Disposals 1/1/ – 30/9/2007	-	-	-	19,556.60	175,966.45	-	195,523.05
Carrying amounts 30/9/2007	2,515,742.00	7,296,558.05	161,923.54	604,667,700.58	4,326,339.83	2,333,455.46	621,301,719.46
Accumulated Depreciation 1/1/2006	-	687,377.99	121,014.28	39,001,568.61	3,357,239.39	1,995,813.81	45,163,014.08
Depreciation for the year ended 2006	-	340,914.47	11,806.80	18,629,709.79	241,570.19	174,008.40	19,398,009.65
Less: Disposed assets accumulated depreciation	-	97,108.61	6,679.52	7,229,586.78	153,314.90	40,030.85	7,526,720.66
Total Accumulated Depreciation 31/12/2006	-	931,183.85	126,141.56	50,401,691.62	3,445,494.68	2,129,791.36	57,034,303.07
Accumulated Depreciation 1/1/2007	-	931,183.85	126,141.56	50,401,691.62	3,445,494.68	2,129,791.36	57,034,303.07
Depreciation 1/1 – 30/9/2007	-	232,795.98	7,033.63	12,368,609.66	185,945.05	70,053.83	12,864,438.15
Less: Disposed assets depreciation 1/1-30/9/2007	-	-	-	19,414.87	168,903.11	-	188,317.98
Total Accumulated Depreciation 30/9/2007	-	1,163,979.83	133,175.19	62,750,886.41	3,462,536.62	2,199,845.19	69,710,423.24
Net book value							
at 1/1/2006	2,944,535.60	6,875,535.06	36,115.08	649,006,392.58	546,388.69	270,913.68	659,679,880.69
at 31/12/2006	2,515,742.00	6,365,374.20	35,781.98	554,071,013.74	479,675.17	176,588.78	563,644,175.87
At 30/9/2007	2,515,742.00	6,132,578.22	28,748.35	541,916,814.17	863,803.21	133,610.27	551,591,296.22

The depreciation of property plant and equipment is recorded in the following captions in the income statement:

	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2007</u>	<u>30/9/2006</u>	<u>30/9/2007</u>	<u>30/9/2006</u>
Cost of sales	12,368,609.66	14,034,277.38	12,368,609.66	14,034,277.38
Distribution expenses	90,707.26	89,426.55	90,707.26	89,426.55
Administrative expenses	405,500.27	505,722.23	405,121.23	505,722.23
Totals	12,864,817.19	14,629,426.16	12,864,438.15	14,629,426.16

The item, Plant and Equipment includes IT equipment acquired through finance lease. At the end of the leasing, the Company has the right to buy the aforementioned equipment at a premium price. At 30/9/2007 its net book value reached € 249,936.69.

14. Investments in subsidiaries

<u>Name</u>	<u>Participation Value</u>	
	<u>30/9/2007</u>	<u>31/12/2006</u>
Kritiki Filoxenia S.A.	3,203,196.84	3,203,196.84
Minoan Escape S.A.	59,970.00	59,970.00
Minoan Cruises S.A.	214,854.63	214,854.63
Totals	3,478,021.47	3,478,021.47

15. Investments in associates

In the Company's interim financial statements, the investments in associates, amounted to € 66,185,097.17 as at 30/9/2007 and € 66,080,097.17 as at 31/12/2006 relate to the share of the Company in Hellenic Seaways S.A.

On January 2007, the Parent bought 35 thousands shares of its associate company, Hellenic Seaways, which cost € 105,000.00. Its participation to the company was increased at 33.35% against 33.31% in 31/12/2006.

The main items of the consolidated financial statements of Hellenic Seaways S.A. in accordance with I.F.R.S. are as follows:

	<u>30/9/2007</u>	<u>31/12/2006</u>
Total Assets	452,082,039.57	381,450,011.89
Total Liabilities	204,036,915.20	172,787,892.40
Total Equity	248,045,124.37	208,662,119.49
	<u>1/1 – 30/9/2007</u>	<u>1/1 – 30/9/2006</u>
Net consolidated Profit for the period	34,568,955.15	18,606,350.94

The share of Profit after taxation in the associated company Hellenic Seaways S.A. as of 30/9/2007 and 30/9/2006, is € 11,529,437.92 and € 6,197,775.50 respectively.

The investment in the associated Mediterranean ferries S.r.l has been totally impaired in prior years' financial results.

16. Other financial assets

Other Financial Assets include the fair value of the interest rate swap contracts as determined by the Banks at 30/9/2007 and 31/12/2006, which amount to € 5,329,766.96 and € 4,311,622.45 respectively. The change in fair value is recorded in the equity item "fair value hedge reserve".

17. Inventories

	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2007</u>	<u>31/12/2006</u>	<u>30/9/2007</u>	<u>31/12/2006</u>
Merchandise	2,714,278.64	2,619,520.35	2,714,278.64	2,619,520.35
Consumables	1,835,886.12	1,410,735.60	1,835,886.12	1,410,735.60
Totals	4,550,164.76	4,030,255.95	4,550,164.76	4,030,255.95

18. Trade and Other receivables-Other current assets

	<u>Trade and other Receivables</u>			
	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2007</u>	<u>31/12/2006</u>	<u>30/9/2007</u>	<u>31/12/2006</u>
Customers – Check Receivables	52,786,033.41	50,911,777.95	52,814,158.51	50,935,533.05
Trade receivables due from affiliates and associates	195,516.94	193,954.03	227,924.25	207,271.64
Other Account Receivables	2,199,319.35	1,296,372.14	2,073,370.00	1,007,410.39
Totals	55,180,869.70	52,402,104.12	55,115,452.76	52,150,215.08

	<u>Other Current assets</u>			
	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2007</u>	<u>31/12/2006</u>	<u>30/9/2007</u>	<u>31/12/2006</u>
Prepaid Expenses	3,625,339.00	6,962,139.73	3,625,339.00	6,962,139.73
Accrued Income	423,483.50	218,066.44	415,830.55	216,314.44
Other accruals and deferred income	-	71,610.30	-	71,610.30
Totals	4,048,822.50	7,251,816.47	4,041,169.55	7,250,064.47

In the item “Other Account Receivables” is included the fair value of the fuel hedge contracts as determined at 30/9/2007 by the banks amounted to € 461,884.61. A respective amount is included in the item “fair value hedge reserves”.

19. Cash and Cash equivalents

	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2007</u>	<u>31/12/2006</u>	<u>30/9/2007</u>	<u>31/12/2006</u>
Cash in hand	397,529.55	254,688.67	396,131.43	253,789.70
Cash in banks and time deposits	1,715,198.37	16,545,799.21	1,385,661.26	16,342,302.28
Totals	2,112,727.92	16,800,487.88	1,781,792.69	16,596,091.98

20. Non – Current assets held for sale

Non – current assets held for sale include land and buildings of a subsidiary of net book value of € 5,200,000.05, for which a decision for sale has been made by the management of the Company.

21. Share capital – Share premium

The Share capital of the Company is divided into 70.926.000 common shares with a nominal value of 2.25 euros each. The Share Premium of € 26,942,576.38 is a result of the increase of share capital which was approved by the Regular General Meeting of the Company’s shareholders held on 16/5/1999.

22. Reserves

	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2007</u>	<u>31/12/2006</u>	<u>30/9/2007</u>	<u>31/12/2006</u>
Statutory Reserve	10,612,235.66	10,612,235.66	10,594,724.97	10,594,724.97
Other reserves	47,140,029.52	47,140,029.52	47,137,570.76	47,137,570.76
Totals	57,752,265.18	57,752,265.18	57,732,295.73	57,732,295.73

Statutory reserve: According to the Greek corporate law, the Company is required to transfer 5% at least of its net profit to the statutory reserve, until such a reserve reaches 1/3 of the issued share capital. This reserve can be used exclusively before any distribution of dividends to off-set a deficit.

Other reserves: This reserve is established in accordance with the Company’s Articles of Association and results from the balance of the annual earnings which remain after deducting the statutory reserve and the dividends.

23. Dividends

The General shareholders meeting of 22/7/2007 approved the distribution of dividends for the fiscal year 2006 amounting to € 9,575,010.00 (€ 0.135 per share)

24. Long term debt and current portion of long – term interest bearing loans and borrowings

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

	<u>30/9/2007</u>	<u>31/12/2006</u>
Syndicate Loan - Agent Citibank	210,056,769.97	286,592,600.97
Syndicate Loan - Agent Piraeus Bank	47,243,084.39	53,243,084.39
Totals	<u>257,299,854.36</u>	<u>339,835,685.36</u>

The current portion of the Interest – bearing loans and borrowings amounted to € 92,400,629.00 at 30/9/2007 includes an amount of € 66,671,033.00 that refers the balloon payment, of a syndicate loan facility

	<u>30/9/2007</u>	<u>31/12/2006</u>
Syndicate Loan - Agent Citibank	86,400,629.00	19,729,596.00
Syndicate Loan - Agent Piraeus Bank	6,000,000.00	6,000,000.00
Totals	<u>92,400,629.00</u>	<u>25,729,596.00</u>

The Syndicate loan agreements are denominated in Euro with a floating interest rate (euribor), plus a spread as defined in the particular agreements. The loans mature gradually until 2012. Nevertheless a partially or totally prepayment of the loan, is permitted.

- The Syndicate Loan agreements include certain covenants and the Company is required to provide information on a constant basis to the agent bank regarding its business activities and financial performance.
- In order to secure the aforementioned debt of € 349,700,483.36, first and second preferred mortgages have been registered on the Company’s vessels amounting to € 408,675,783.00 and € 158,000,000.00 respectively. Furthermore, pre-notations of € 17,154,748.66 have been registered on the Group’s Land and Buildings while 25,850,775 shares of HELLENIC SEAWAYS S.A., which the Company owns, have been pledged.

The short term liabilities as of 30/9/2007 amounted to € 16,565,387.31 is covered by post dated checks.

25. Employee defined Benefit obligations

According to the Greek Labour Law, employees when retired are entitled to compensation which amounts to 40% of the amount of their dismissal.

	<u>The Group</u>	<u>The Company</u>
Balance as at 1/1/2006	2,201,038.33	2,130,389.35
Write-off provision of sold Subsidiary	-70,648.98	-
Current Service Cost	144,699.96	144,699.96
Interest Cost	68,654.78	68,654.78
Benefits paid	-21,918.29	-21,918.29
Balance as at 31/12/2006	2,321,825.80	2,321,825.80
Balance as at 1/1/2007	2,321,825.80	2,321,825.80
Current Service Cost	155,854.78	155,854.78
Interest Cost	78,317.97	78,317.97
Benefits paid	-47,089.24	-47,089.24
Balance as at 30/9/2007	2,508,909.31	2,508,909.31

The total amount of Employee Defined Benefit Obligations is non-funded.

The amount, recorded as an expense at 30/9/2007 and 30/9/2006 respectively, is analyzed as follows:

	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2007</u>	<u>30/9/2006</u>	<u>30/9/2007</u>	<u>30/9/2006</u>
Current Service cost	155,854.78	120,216.50	155,854.78	120,216.50
Interest Cost	78,317.97	57,655.50	78,317.97	57,655.50
Totals	234,172.75	177,872.00	234,172.75	177,872.00

The above expenditure is included in the following categories of the income statement:

	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2007</u>	<u>30/9/2006</u>	<u>30/9/2007</u>	<u>30/9/2006</u>
Distribution expenses	98,352.55	51,384.00	98,352.55	51,384.00
Administrative expenses	135,820.20	126,488.00	135,820.20	126,488.00
Totals	234,172.75	177,872.00	234,172.75	177,872.00

The main assumptions used are as follows:

- Discounted Rate 4.10%
- Long – term average annual salaries increase 5.00%

26. Deferred Government grants

The deferred government grants relate to the subsidy received by the Company from the Norwegian Government for the vessel IKARUS PALACE during the period of its shipbuilding.

It is recognized as revenue in the income statement on a systematic basis over the useful life of the vessel. The amount recorded in the income statement at 30/9/2007 and 30/9/2006 was €144,840.46 and € 144,840.36 respectively.

27. Trade and Other payables

	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2007</u>	<u>31/12/2006</u>	<u>30/9/2007</u>	<u>31/12/2006</u>
Suppliers – Check payables	26,725,225.74	24,948,349.47	26,725,225.74	24,948,146.47
Income Tax payable	17,221.94	68,110.51	3,519.48	48,982.71
Withholding Taxes – Social Security Contributions payable	4,602,923.29	3,753,246.49	4,601,863.81	3,751,860.92
Dividends payable	586,031.08	444,303.13	586,031.08	444,303.13
Sundry creditors	2,879,014.31	4,991,226.31	2,872,627.61	4,976,693.46
Derivative Financial Instruments	-	864,810.55	-	864,810.55
Accrued expenses	4,493,606.90	2,715,737.03	4,492,646.83	2,714,740.81
Customer advances	97,389.30	160,337.55	94,953.30	159,687.55
Deferred income	811,515.93	873,795.01	811,515.93	873,795.01
Payables to affiliates and associates	-	72,235.29	-	72,235.29
Totals	40,212,928.49	38,892,151.34	40,188,383.78	38,855,255.90

28. Financial instruments

Due to the nature of their business activities, the Group companies are exposed to potential risks which namely are the increases in interest rates and fuel prices. In order to hedge their exposure to such risks, derivative financial instruments are being used.

28.1 Interest rate, fuel price – credit – foreign currency risks

- **Risks from Interest rates and fuel prices fluctuations**

The loan agreements are associated with floating interest rates adjusted to the changing market conditions. The fuel cost is related to floating fuel prices affecting the cash flows of the Group's companies.

- **Hedging**

According to the Company's policy, in order to hedge its exposure to the increase of interest rates and fuel prices, it signed hedging agreements for the aforementioned potential risks. The Company considers these derivatives as cash flow hedges.

The interest rate swap contracts of the Company which started in November 2005 refer to € 200 million of the loans covering the 57% approximately of the Company's loans as at 30/9/2007.

At 30/9/2007 and 31/12/2006, the fair value of the interest rate swaps amounts to € 5,329,766.96 and € 4,311,622.45 respectively while it is recorded in the account "Other Financial Assets". The gains from the above trade reached at the current fiscal period € 1,427,530.11 against € 473,716.12 in the respective previous year period (note 9).

The respective hedge contract related to the fuel prices covers the 50% of the estimated fuel quantity consumption for 2007. At 30/9/2007 the fair value of the fuel price swap amounts to € 461,884.61 and it is recorded to the account "Trade and other receivables". The respective fair value at 31/12/2006 amounted to € -864,810.55 was recorded in the item "Trade and other payables". The gains from the above trade reached at the current fiscal period € 2,020,900.50 (note 7).

- **Credit risks**

Credit valuations are performed on all customers requiring credit and a credit limit is established for each customer. The "Trade and Other Receivables" balances are reviewed in order to ensure that they do not exceed the predetermined credit limit.

The Company's maximum exposure to credit risks in case all customers do not pay their debts reached, at 30/9/2007, to the amount of the accounts receivable as stated in the balance sheet, decreased by the received Letters of Guarantee amounting to € 4,316,076,36. At the balance sheet date, there were no significant concentrations of credit risk.

- **Foreign currency risks**

After the entrance of Greece in the Euro-Zone, the Company's foreign currency risk was almost eliminated given the fact that the transactions abroad are mainly realized in Euro. Furthermore, the Company is not subject to foreign currency risk regarding its loans, taking under consideration that these are denominated in Euro.

28.2. Effective interest rates

The average effective interest rate as at the Balance Sheet Date along with the periods in which they mature are stated below:

<u>30/9/2007</u>	Average effective Rate	Total	Within 1 year	2-3 years	4-5 years	More than 5 years
Fixed rate instruments						
Short term Borrowings	5.97%	16,565,387.31	16,565,387.31	-	-	-
Floating rate instruments						
Long term Borrowings	6.00%	349,700,483.36	92,400,629.00	75,302,276.39	103,677,567.00	78,320,010.97
Interest rate Swap effect	-0.53%	-5,329,766.96	-	-	-5,329,766.96	-

<u>31 /12/2006</u>	Average effective Rate	Total	Within 1 year	2-3 years	4-5 years	More than 5 years
Fixed rate instruments						
Short term Borrowings	5.82%	35,072,877.45	35,072,877.45	-	-	-
Floating rate instruments						
Long term Borrowings	5.16%	365,565,281.36	25,729,596.00	150,823,309.39	107,177,567.00	81,834,808.97
Interest rate Swap effect	-0.18%	-4,311,622.45	-	-	-4,311,622.45	-

28.3. Fair values

The fair values of the financial instruments, that is trade and other receivables, current liabilities and cash and cash equivalents do not differ from the carrying value due to their short term nature. Furthermore, the fair values of long – term borrowings do not differ in respect to the book values due to the fact that they bear variable interest rates.

The financial assets which are related to interest rate and fuel price hedging are recognized at the fair values as these have been determined by the Banks.

29. Analysis of business activities by geographical segment

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

The Company due to the nature of its business activities encounters the effect of seasonality relating to the revenue from passengers' and private cars' fares and the revenue from on-board services (bars – restaurants, shops) that represent 42.9% and 16.2% of the total annual revenue, respectively.

The revenue that results from truck fares represents 40.9% of the total annual revenue and it is evenly earned throughout the year.

The Group

	<u>Greece</u>		<u>Europe</u>		<u>Totals</u>	
	<u>30/9/2007</u>	<u>31/12/2006</u>	<u>30/9/2007</u>	<u>31/12/2006</u>	<u>30/9/2007</u>	<u>31/12/2006</u>
	<u>1/1 – 30/9/2007</u>	<u>1/1 – 30/9/2006</u>	<u>1/1 – 30/9/2007</u>	<u>1/1 – 30/9/2006</u>	<u>1/1 – 30/9/2007</u>	<u>1/1 – 30/9/2006</u>
Total Non – Current assets	302,392,194.32	291,423,153.49	342,479,539.72	351,269,581.71	644,871,734.04	642,692,735.20
Capital expenditure	263,739.44	314,815.39	555,024.13	519,395.91	818,763.57	834,211.30
Total Liabilities	144,609,528.64	158,616,520.12	269,422,725.15	288,425,001.61	414,032,253.79	447,041,521.73
Revenue	56,271,457.41	53,203,170.32	99,469,944.35	111,925,131.55	155,741,401.76	165,128,301.87
Gross Profit*	27,335,580.52	23,970,248.33	26,230,004.89	25,817,538.20	53,565,585.41	49,787,786.53
Profit before Tax, Financing cost and Depreciation (EBITDA)	24,820,816.17	16,507,682.50	19,702,214.59	25,673,120.06	44,523,030.76	42,180,802.56

The Company

	<u>Greece</u>		<u>Europe</u>		<u>Totals</u>	
	<u>30/9/2007</u>	<u>31/12/2006</u>	<u>30/9/2007</u>	<u>31/12/2006</u>	<u>30/9/2007</u>	<u>31/12/2006</u>
	<u>1/1 – 30/9/2007</u>	<u>1/1 – 30/9/2006</u>	<u>1/1 – 30/9/2007</u>	<u>1/1 – 30/9/2006</u>	<u>1/1 – 30/9/2007</u>	<u>1/1 – 30/9/2006</u>
Total Non – Current assets	284,127,303.00	286,275,920.05	342,479,413.15	351,269,076.10	626,606,716.15	637,544,996.15
Capital expenditure	263,739.44	314,815.39	555,024.13	518,717.87	818,763.57	833,533.26
Total Liabilities	151,979,618.75	158,592,383.20	262,028,090.33	288,412,243.09	414,007,709.08	447,004,626.29
Revenue	56,212,492.98	53,146,021.04	99,352,042.35	111,833,804.47	155,564,535.33	164,979,825.51
Gross Profit*	27,276,616.09	23,913,099.05	26,192,796.60	25,783,517.93	53,469,412.69	49,696,616.98
Profit before Tax, Financing cost and Depreciation (EBITDA)	24,803,398.82	16,539,086.64	19,721,247.93	25,673,120.06	44,524,646.75	42,212,206.70

* after depreciation

30. Earnings per share

	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2007</u>	<u>30/9/2006</u>	<u>30/9/2007</u>	<u>30/9/2006</u>
Earnings attributable to the Parent Company Shareholders	26,288,480.83	17,617,084.50	14,760,759.82	11,451,952.66
Weighted Average number of shares	70,926,000	70,926,000	70,926,000	70,926,000
Basic and Diluted Earnings per Share	0.37	0.25	0.21	0.16

There is no current obligation for issuing new shares in the future, thus it is not necessary to provide any other earnings per share.

31. Related Party transactions

Related parties are considered the members of the Board of Directors and Management of the Company, the members of the Board of Directors and Management of subsidiaries of the Group, the financially dependent members and first-degree relatives of the members of the Board of Directors and Management, and the associated companies.

On the tables below the balances of trade receivables and payables at 30 of September 2007 and 31 of December 2006 as well as the purchases and sales of the companies of the Group as at 1/1/-30/9/2007, and 1/1/-30/9/2006 are stated:

31.1 Subsidiaries

30/9/2007

<u>Company</u>	Minoan Cruises S.A.	Minoan Escape S.A.	Kritiki Filoxenia S.A.	Totals
Minoan Lines S.A. (due from)	155.40	8,741.45	23,510.46	32,407.31
Athina A.V.E.E. (due from)	-	-	53,345.39	53,345.39
Totals	155.40	8,741.45	76,855.85	85,752.70

31/12/2006

<u>Company</u>	Minoan Escape S.A.	Kritiki Filoxenia S.A.	Totals
Minoan Lines S.A. (due from)	13,317.61	-	13,317.61
Athina A.V.E.E. (due from)	-	53,345.39	53,345.39
Totals	13,317.61	53,345.39	66,663.00

1/1 – 30/9/2007

<u>Company</u>	Minoan Escape S.A.	Minoan Cruises S.A.	Kritiki Filoxenia S.A.	Totals
Minoan Lines S.A.				
Revenues from Fares	107,721.76	-	-	107,721.76
Revenue from rentals	5,850.00	450.00	1,320.63	7,620.63
Totals	113,571.76	450.00	1,320.63	115,342.39

1/1 – 30/9/2006

<u>Company</u>	Minoan Escape S.A.	Minoan Cruises S.A.	Kritiki Filoxenia S.A.	Totals
Minoan Lines S.A.				
Revenues from Fares	66,058.19	-	-	66,058.19
Revenue from rentals	3,787.10	450.00	1,320.63	5,557.73
Totals	69,845.29	450.00	1,320.63	71,615.92

31.2 Associates

30/9/2007

<u>Company</u>	Hellenic Seaways S.A	Mediterranean Ferries S.r.l.	Totals
Minoan Lines S.A. (payable to)	1,562.91	193,954.03	195,516.94

31/12/2006

<u>Company</u>	Hellenic Seaways S.A	Mediterranean Ferries S.r.l.	Totals
Minoan Lines S.A. (payable to)	72,235.29	-	72,235.29
Minoan Lines S.A. (due from)	-	193,954.03	193,954.03

Additionally, the Parent Company has received from the associate Hellenic Seaways S.A. for the periods 1/1-30/9/2007 and 1/1-30/9/2006, revenue from building rentals amounted to € 30,018.66 and € 28,113.67 respectively.

The above transactions are at arm's length.

31.3 Members of the Board of Directors and management

The salary expense of the Members of the Board and the Company's Directors is analysed as follows:

	<u>30/9/2007</u>	<u>30/9/2006</u>
Executive members	294,808.15	292,110.10
Non – executive members	178,071.92	181,569.30
Directors	845,497.05	952,128.23
Totals	1,318,377.12	1,425,807.63

32. Contingent liabilities

The contingent liabilities are the following:

a. By virtue of Decision No. 210/III/2002 of the Competition Committee, which is based on two reports of the Competition Secretariat, a penalty was imposed to the parent company in the total amount of € 4,5 million.

The Company has been justified by the Court of Appeal of Athens. Estimating that the appropriate Administrative Courts will issue a decision justifying the Company, the Company has not recorded any respective provision.

b. The companies of the Group, which are either consolidated or integrated by the equity method in the Consolidated Financial Statements, have not been audited and consequently their tax obligations have not been finalized yet by the tax authorities, for the financial years presented below:

<u>Company</u>	<u>Open tax years</u>
Minoan Lines S.A.	2006
Minoan Escape S.A.	2006
Minoan Cruises S.A.	2000 – 2006
Kritiki Filoxenia S.A.	2000 – 2006
Athina A.V.E.E.	2000 – 2006
Mediterranean Ferries S.r.l.	2002 – 2006
Hellenic Seaways S.A.	2003 – 2006

c. The adverse effect on the operating results of one of the subsidiaries by the amounts of USD 0.56 million and € 0.21 million for which letters of guarantee have been issued to the Seamen's Pension Fund depends on the results of the legal proceedings commenced by both the subsidiary and the Seamen's Pension Fund. The subsidiary has not made any provision estimating that it will be justified by the appropriate Courts.

d. The doubtful debts due from the ex-ship-owners of the associated company Hellenic Seaways S.A. amounted to approximately € 1.19 million, will burden the net consolidated results. The legal proceedings commenced by the associated company have not been finalized yet, thus the parent company has not recorded any provision for the aforementioned amount.

33. Subsequent events

There are no subsequent events relating to the Company at 30/9/2007 that have occurred or need to be disclosed under the International Financial Reporting Standards (I.F.R.S.).

Heraklion, November 15th 2007

**The Chairman
of the Board**

**Stylios
Sarris**
ID C No P 315797

**The Chief
Executive Officer**

**Antonios
Maniadakis**
ID C No X 850531

**The Chief
Financial Officer**

**George
Vassilokonstantakis**
ID C No X 945118

**The Chief
Accountant**

**Dimitra
Batsi**
ID C No AZ 467355
ID 23944 First Class