# MINOAN LINES SHIPPING S.A.

**REGISTRATION NUMBER 11314/06/B/86/13**

**Domicile : 17 , 25th August Str. 71202 - Heraklion Crete**

**Condensed Financial Information for the period ended from January 1st to December 31st 2007**

**(published in accordance with the article 135 of the corporate law 2190/1920, for companies preparing the annual financial statements according to the I.A.S.)**

The financial information set out below provides a general presentation of the financial position and results of MINOAN LINES SHIPPING S.A. and its Group.We recommend to the reader, who seeks a complete view of the financial position and performance of the Company and its Group,to visit the web site (at www.minoan.gr), where the annual financial statements are presented in accordance with the International Accounting Standards and the auditor's report.

## COMPANY'S INFORMATION

| | |
|---|---|
| web site address | www.minoan.gr |
| Date of approval by the Board of Directors | 21st March 2008 |
| Board of Directors | S.Sarris-Chairman,E.Koulendakis-Vice Chairman,A.Maniadakis-Chief Executive Officer,M.Vavourakis-Member,G.Drys-Member, J.Dryllerakis-Member,K.Mamalakis-Member,J.Xenikakis-Member, G.Papageorgiou-Member,M.Papadakis-Member,J.Sbokos-Member, E.Froudakis-Member. |
| Certified Audit Accountant | Marios T.Kyriakou-A.M. S.O.E.L. 11121 |
| Audit Firm | KPMG Certified Auditors A.E. |
| Type of auditor's report | Unqualified opinion |

## BALANCE SHEET

| | The Group | | The Company | |
|---|---|---|---|---|
| **ASSETS** | **31/12/2007** | **31/12/2006** | **31/12/2007** | **31/12/2006** |
| Non - current assets | 623,622,505.37 | 637,492,735.15 | 617,206,484.21 | 637,544,996.15 |
| Inventories | 4,552,578.00 | 4,030,255.95 | 4,552,578.00 | 4,030,255.95 |
| Customers | 14,607,802.32 | 17,310,459.39 | 14,652,494.02 | 17,337,285.09 |
| Other current assets | 36,483,304.25 | 59,208,849.72 | 36,014,006.45 | 58,723,987.08 |
| Non - current assets held for sale | 5,200,000.05 | 5,200,000.05 | 0.00 | 0.00 |
| **TOTAL ASSETS** | **684,466,189.99** | **723,242,300.26** | **672,425,562.68** | **717,636,524.27** |
| **EQUITY AND LIABILITIES** | | | | |
| Interest bearing loans and borrowings | 203,041,971.97 | 339,835,685.36 | 203,041,971.97 | 339,835,685.36 |
| Other long - term liabilities | 7,459,210.36 | 7,511,211.58 | 7,459,210.36 | 7,511,211.58 |
| Bank overdrafts and current portion of interest bearing loans and borrowings | 158,070,875.71 | 60,802,473.45 | 158,070,875.71 | 60,802,473.45 |
| Other short - term liabilities | 35,725,303.00 | 38,892,151.34 | 35,672,555.47 | 38,855,255.90 |
| **TOTAL LIABILITIES (a)** | **404,297,361.04** | **447,041,521.73** | **404,244,613.51** | **447,004,626.29** |
| Share Capital | 159,583,500.00 | 159,583,500.00 | 159,583,500.00 | 159,583,500.00 |
| Reserves | 86,717,907.22 | 88,207,147.95 | 85,204,872.11 | 88,121,684.01 |
| Retained Earnings | 33,802,257.31 | 28,341,347.36 | 23,392,577.06 | 22,926,713.97 |
| **Total Shareholders Equity (b)** | **280,103,664.53** | **276,131,995.31** | **268,180,949.17** | **270,631,897.98** |
| **Minority interest (c)** | 65,164.42 | 68,783.22 | 0.00 | 0.00 |
| **TOTAL EQUITY (d) = (b) + (c)** | **280,168,828.95** | **276,200,778.53** | **268,180,949.17** | **270,631,897.98** |
| **TOTAL EQUITY AND LIABILITIES (a) + (d)** | **684,466,189.99** | **723,242,300.26** | **672,425,562.68** | **717,636,524.27** |

## INCOME STATEMENT

| | The Group | | The Company | |
|---|---|---|---|---|
| | **1/1-31/12/2007** | **1/1-31/12/2006** | **1/1-31/12/2007** | **1/1-31/12/2006** |
| Revenue | 195,937,633.48 | 206,891,038.30 | 195,701,520.97 | 206,703,062.77 |
| **Gross profit** | **57,695,822.49** | **59,237,673.16** | **57,574,441.34** | **59,122,672.95** |
| **Operating profit before tax,depreciation, financing and investing costs (E.B.I.T.D.A.)** | **46,294,048.44** | **61,393,829.66** | **46,298,367.98** | **61,418,454.07** |
| **Operating profit before tax,financing and investing costs (E.B.I.T.)** | **29,130,711.98** | **41,995,647.58** | **29,135,094.66** | **42,020,444.42** |
| **Profit (Loss) before taxes** | **16,430,501.56** | **20,237,366.81** | **10,625,647.33** | **16,865,841.21** |
| Less: Income tax expense | 74,048.23 | -1,387,055.16 | 54,774.24 | -1,407,595.56 |
| **Net Profit (Loss) after taxes** | **16,356,453.33** | **21,624,421.97** | **10,570,873.09** | **18,273,436.77** |
| **Atribuitable to :** | | | | |
| Equity holders of the parent | 16,360,072.13 | 21,603,340.15 | 10,570,873.09 | 18,273,436.77 |
| Minority interest | -3,618.80 | 21,081.82 | 0.00 | 0.00 |
| Basic and diluted earnings per share (in €) | 0.23 | 0.30 | 0.15 | 0.26 |
| Dividend per share (in €) | 0.05 | 0.135 | 0.05 | 0.135 |

## CASH FLOW STATEMENT

| | The Group | | The Company | |
|---|---|---|---|---|
| **Cash flows from operating activities** | **1/1-31/12/2007** | **1/1-31/12/2006** | **1/1-31/12/2007** | **1/1-31/12/2006** |
| **Profit before Tax** | **16,430,501.56** | **20,237,366.81** | **10,625,647.33** | **16,865,841.21** |
| *Adjustments for :* | | | | |
| Depreciation and amortization | 17,163,336.46 | 19,398,182.08 | 17,163,273.32 | 19,398,009.65 |
| Provisions | 346,594.99 | 459,987.27 | 346,594.99 | 459,987.27 |
| Unrealised foreign exchange differences | -39,550.91 | -79,257.86 | -39,550.91 | -79,257.86 |
| Gain on sale of investments and property, plant and equipment | -5,874,636.85 | -16,138,913.06 | -39,710.54 | -12,863,903.55 |
| Financial expenses | 25,048,639.99 | 27,778,903.14 | 25,036,595.86 | 27,766,572.13 |
| Other non-monetary income | -182,425.67 | -440,271.67 | -181,858.20 | -440,301.69 |
| **Operating results before changes in working capital** | **52,892,459.57** | **51,215,996.71** | **52,910,991.85** | **51,106,947.16** |
| Decrease/(Increase) in inventories | -522,322.05 | 17,782.02 | -522,322.05 | 17,782.02 |
| Decrease/(Increase) in trade and other receivables | 14,134,754.99 | -10,126,414.26 | 13,932,020.92 | -10,078,323.57 |
| Decrease in liabilities other than borrowings | -3,877,210.60 | -13,282,139.80 | -3,912,190.49 | -13,284,549.57 |
| Interest and related expenses paid | -23,242,064.27 | -24,619,243.82 | -23,230,020.14 | -24,606,912.81 |
| Taxes paid | -68,110.51 | 1,428,054.38 | -48,982.71 | 1,450,878.20 |
| **Cash flow from operating activities (a)** | **39,317,507.13** | **4,634,035.23** | **39,129,497.38** | **4,605,821.43** |
| **Cash flows from investing activities** | | | | |
| Acquisition of subsidiaries and associates net of cash | -133,250.00 | 0.00 | -133,250.00 | -59,970.00 |
| Purchase of property, plant and equipment | -1,014,004.26 | -834,211.30 | -1,014,004.26 | -833,533.26 |
| Proceeds from property, plant and equipment disposal | 32,296.84 | 90,106,622.70 | 32,296.84 | 90,106,622.70 |
| Increase in other long-term assets | -14,017.14 | -490.51 | -14,017.14 | -508.12 |
| Dividends received | 5,373.02 | 148,252.98 | 24,079.54 | 162,532.19 |
| **Cash flow from investing activities (b)** | **-1,123,601.54** | **89,420,173.87** | **-1,104,895.02** | **89,375,143.51** |
| **Cash flows from financing activities** | | | | |
| Proceeds from the issue of short term borrowings | 0.00 | 2,000,000.00 | 0.00 | 2,000,000.00 |
| Repayment of long / short term borrowings | -39,525,311.13 | -83,290,602.17 | -39,525,311.13 | -83,290,602.17 |
| Repayment of finance lease liabilities | -51,778.73 | -95,983.95 | -51,778.73 | -95,983.95 |
| Dividends paid | -9,456,054.91 | -209,904.67 | -9,456,054.91 | -209,904.62 |
| **Cash flow from financing activities (c)** | **-49,033,144.77** | **-81,596,490.79** | **-49,033,144.77** | **-81,596,490.74** |
| **Net decrease/(increase) in cash and and cash equivalents (a)+(b)+(c)** | **-10,839,239.18** | **12,457,718.31** | **-11,008,542.41** | **12,384,474.20** |
| **Cash and cash equivalents at the beggining of the year** | **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 year** | **5,961,248.70** | **16,800,487.88** | **5,587,549.57** | **16,596,091.98** |

## STATEMENT OF CHANGES IN EQUITY

| | The Group | | The Company | |
|---|---|---|---|---|
| | **31/12/2007** | **31/12/2006** | **31/12/2007** | **31/12/2006** |
| Total equity (1/1/2007 and 1/1/2006 respectively) | 276,200,778.53 | 251,071,140.74 | 270,631,897.98 | 248,911,649.31 |
| Net profit/ (loss) after tax for the year ended | 16,356,453.33 | 21,624,421.97 | 10,570,873.09 | 18,273,436.77 |
| Distributed Dividends | -9,575,010.00 | 0.00 | -9,575,010.00 | 0.00 |
| Net Income recognised directly in equity | -2,813,392.91 | 3,505,215.82 | -3,446,811.90 | 3,446,811.90 |
| **Total equity at the end of the year (31/12/2007 and 31/12/2006 respectively )** | **280,168,828.95** | **276,200,778.53** | **268,180,949.17** | **270,631,897.98** |

**Notes and information** :

**1.** The companies included in the consolidated financial statements are stated below:

| **Company** | **Group interest** | **Domicile** | **Consolidation Method** | **Anaudited Fiscal Years** |
|---|---|---|---|---|
| MINOAN LINES S.A. | parent | Heraklion-Crete | Fully | 2006-2007 |
| MINOAN CRUISES S.A. | 80.28% | Heraklion-Crete | Fully | 2000-2007 |
| MINOAN ESCAPE S.A. | 99.95% | Heraklion-Crete | Fully | 2006-2007 |
| KRITIKI FILOXENIA S.A. | 99.99% | Heraklion-Crete | Fully | 2000-2007 |
| ATHINA A.V.E.E. | 99.99% | Heraklion-Crete | Fully | 2000-2007 |
| EUROPEAN THALASSIC AGENCIES SHIPPING MANAGEMENT AND CONSULTANTS S.A. (under liquidation) | 100.00% | Panamas-America | Fully | none |
| HELLENIC SEAWAYS S.A. | 33.35% | Piraeus-Greece | Equity | 2007 |
| MEDITERRANEAN FERRIES S.r.l. (under liquidation) | 50.00% | Genova-Italy | Equity | 2002-2007 |

**2.** The main accounting policies of 31/12/2006 have been adopted.

**3.** For the fiscal year 2006**,** the item Gross profit of the income statement has been re-adjusted as compared to the fiscal year 2007,so as to include the relevant depreciations.

**4.** For securing the outstanding debt at 31/12/2007 amounting € 339,835,685.36, have been registered on the property,plant,equipment and the vessels of the above stated financial statements the following mortgages : **a)** first and second preferred mortgages on the vessels amounting € 408,675,783.00 and € 158,000,000.00 respectively **b)** pre-notations on the land and the buildings amounting € 17,154,748.66 **c)** 25,850,775 shares pledged owned by the parent company.

**5.** There are no outstanding disputes at the court or any arbitration against the Company and consolidated companies, which may have substantial effects on their financial position.

**6.** The personnel empoyed by the Group at the periods ended 31/12/2007 and 31/12/2006 was 827 and 803 persons respectively.

**7.** Earnings per share are calculated on the weighted average number of shares outstanding.

**8.** The consolidated revenue for the period ended 01/01-31/12/2007 according to STAKOD 03 is analyzed as follow :611.0 Revenue from vessel operations € 161,713,780.79, 553.1 Revenue from restaurants on board € 11,539,145.63, 521.4 Revenue from shops on board € 12,693,615.81, 554.1 Revenue from bars on board € 7,259,831.87, 927.1 Revenue from slot machines € 2,419,696.19, 702.0 Revenue from rent € 79,340.44, and 633.0 Revenue from travel agencies € 232,222.75.

**9.**The total revenues and purchases, as well as the receivables and payables, resulting from transactions between the related parties in accordance with the I.A.S. 24 are as follows:

| | **The Group** | **The Company** |
|---|---|---|
| a) Sale of services | 33,314.56 | 174,023.65 |
| b) Purchace of services | - | - |
| c) Receivables | 208,815.31 | 257,568.19 |
| d) Payables | - | - |
| e) Transactions and compensations of directors and members of board of directors | 1,772,741.38 | 1,772,741.38 |
| f) Receivables from directors and members of board of directors | - | - |
| g) Payables to directors and members of board of directors | - | - |

**Heraklion, March 21st 2008**

| **THE CHAIRMAN OF THE BOARD** | **THE CHIEF EXECUTIVE OFFICER** | **THE CHIEF FINANCIAL OFFICER** | **THE CHIEF ACCOUNTANT** |
|---|---|---|---|
| **STYLIANOS SARRIS** | **ANTONIOS MANIADAKIS** | **GEORGE VASSILOKONSTANTAKIS** | **DIMITRA BATSI** |
| **ID C Nr AZ962813** | **ID C Nr X 850531** | **ID C Nr AZ 957560** | **ID C Nr AZ 467355** |
| | | | **ID 23944 First Class** |