MINOAN LINES SHIPPING S.A.

Interim Financial Report
for the period ended June 30th 2018 (1/1–30/6/2018)

In accordance with article 5 of law 3556 / 2007

TRANSLATED FROM THE GREEK ORIGINAL

(In the event that differences exist between this translation and the original Greek language financial statements, the Greek language financial statements will prevail over this document).

Shipping Societe Anonyme
Company's No in the General Electronic Commercial Registry: 77083027000
17, 25th August Str. – 71 202 Heraklion Crete

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The amounts of the interim financial report are presented in thousands of € unless explicitly stated otherwise. Any last digit discrepancies are due to rounding of the figures.

Statements of the members of the Board of Directors

(In accordance with article 5 par. 2 of law 3556 / 2007)

We, the undersigned, hereby state that to the best of our knowledge:

1. The condensed interim Company stand-alone and consolidated financial statements of "MINOAN LINES SHIPPING S.A." for the period from January 1st 2018 to June 30th 2018, as prepared in accordance with the applicable International Financial Reporting Standards, give a true view of the assets, liabilities, equity, and the financial results for the period ended June 30th 2018, both of the Company "MINOAN LINES SHIPPING S.A.", and of the companies included in the consolidation, taken as a whole, in accordance with the provisions of paragraphs 3 and 5 of article 5 of law 3556 / 2007 and,
2. The report of the Board of Directors for the period ended June 30th 2018 gives a true view of the information required in accordance with paragraph 6 of article 5 of law 3556 / 2007.

Heraklion, September 17th, 2018

The Chairman of the B.o.D.	The Managing Director	The Member of the B.o.D.
Emanuele Grimaldi	**Antonios Maniadakis**	**Georgios Papageorgiou**
Pass No IT / AA 2179472	**ID C No AI 944699**	**ID C No AK 469642**

Report of the Board of Directors for the period ended June 30th 2018 (1/1–30/6/2018)

This report refers to the company as well as to the consolidated financial statements for the six months ended June 30th 2018, and has been prepared in accordance with article 5 of law 3556 / 2007.

Significant events for the six–month period of 1/1–30/6/2018 – Effect on Financial Statements

On 22/1/2018, it expired the charter agreement among Minoan Italia S.p.A. and Compagnia Italiana di Navigazione (C.I.N.) for the two vessels, Cruise Bonaria and Mykonos Palace, belonging to the subsidiary. On the same day, the two vessels were chartered-out by Minoan Italia S.p.A. to a subsidiary of the ultimate parent company for a period of less than 12 months.
On 8/3/2018, the Company's subsidiary Minoan Italia S.p.A. concluded the sale of the vessel Cruise Bonaria to Grimaldi Euromed S.p.A., to which the vessel had been chartered since January 2018. The net proceeds for the sale amounted to € 70,000. The proceeds has been used to repay a portion of the Minoan's bond loan. The consolidated gain from the above sale reached € 1,513 million and it is included in condensed interim financial results 2018.
In June 2018, completed the transfer of the vessel MYKONOS PALAS against € 65,000 to the Company by its subsidiary Minoan Italia S.p.A.
On 11/6/2018, it is executed the framework agreement with ATTICA Holdings S.A., which was initially signed on 26/10/2017, in order the Company to proceed with the transfer of all the shares held at the Hellenic Seaways Shipping S.A., following the securing of all the necessary approvals (Hellenic Competition Commission, corporate, creditors, etc). Specifically, the framework agreement includes the following individual and interrelated (en bloc) transactions:

- The sale to ATTICA Holdings S.A. of 37,667,504 shares of Hellenic Seaways Shipping S.A., representing 48.53% of the paid up share capital, for a consideration of € 78,500. In addition, the Company acquired the right to operate in the "Heraklion-Cyclades" route, while ATTICA Holdings S.A. and its affiliate companies undertook the commitment not to operate in this route for a period of three years.
- The purchase by the Company of the vessel "HIGHSPEED 7" (renamed "SANTORINI PALACE"), owned by Hellenic Seaways Shipping S.A., for a total purchasing price of € 25,000.
- The purchase by a company owned by the Grimaldi Group, the main shareholder of Minoan Lines SA, of the vessel "SUPERFAST XII", owned by ATTICA FERRIES MARITIME COMPANY, a 100% subsidiary of ATTICA Holdings S.A., for a total price of €74,500.

The Company as to assess the fair value of the acquired right of operation and non-competition has received a valuation study from an independent recognized valuator, which was conducted in accordance with methodologies accepted by IFRS (method of discounted free cash flow).
On the basis of the above, the Company derecognized its participation in Hellenic Seaways Shipping S.A and recognized in the tangible assets the acquisition of the vessel "HIGHSPEED 7" amounting to € 25,000 and as intangible asset the acquisition of the right of operation and non-competition amounting to € 4,807. The right will be amortized on a straight-line basis over a three-year period. Upon completion of all above transactions, the Company and the Group incurred no profit or loss.

On 29/6/2018, the Company's bond loan was fully repaid. As a result, on 30/6/2018 the Company has no short-term or long-term bank loans.

The European Regulation 2016/679 on the protection of personal data entered into force on 25 May 2018.
The Company, in order to achieve full compliance with the European Regulation on the protection of personal data:
- Established an internal special Personal Data Protection Commission to implement a project to develop a compliance system with the Regulation and to set up an information security system, using internal resources and with the assistance of an external specialist consultant.
- Appointed an Information Security Officer, a Data Protection Coordinator, and a Data Protection Officer and informed the Hellenic Data Protection Authority accordingly.
- Organized seminars to inform and train its staff.
- Analyzed and adjusted accordingly its systems and procedures and formulated new policies.
- Incorporated the provisions of the Regulation in the contracts it executes with its employees, suppliers, customers and business associates, and is in the process of obtaining certification under ISO 27001: 2013

Financial Results

The turnover from continuing operations for the first half of 2018 stood in consolidated level at € 35,903 compared to € 35,497 in the first half of 2017, recording an increase of € 406. Moreover Group's operating profit (E.B.I.T.D.A.) was shaped at € 8,505 in comparison with € 9,682 in the corresponding period of 2017, noting a decrease of € 1,177 while the net profit from continuing and discontinued operations for the first half of the current year amounted to net profit of € 1,854 against net profit of € 1,585 in the corresponding period of 2017, noting an increase of € 269.

Minoan Lines Shipping S.A. – Report of the Board of Directors for the period 1/1–30/6/2018 (amounts in thousands of €)

Traffic Volumes – Operational Routes

During the first half of 2018, the Company was active mainly on the domestic line of Piraeus–Heraklion. Minoan Lines carried 277 thousands passengers, 35 thousands private cars and 30 thousands freight units. Moreover, Company's market share on this route shaped at 65.1% for passengers, 61.0% for private cars and 47.0% for freight units.
Additionally, since mid-June, the Company operates on the "Heraklion-Cyclades" line with its new vessel SANTORINI PALACE.
Finally, the Company, as to upgrade its services to the passengers, from July to the end of the high touristic season (10/9) extended the ferry route "Piraeus-Heraklion" by including the island of Milos, Cyclades for a certain number of voyages as an intermediate destination.

Consolidated Financial Results – Balance Sheet

In the below table are presented the consolidated financial statements which include both the Company and its subsidiary, and also, the consolidation method:

Name	Consolidation Method	Headquarters	% Participation 2018	% Participation 2017
Minoan Italia S.p.A.	Full	Palermo–Italy	100%	100%

The most important items of the consolidated Statement of financial position and Statement of profit or loss and other comprehensive income are presented below:

Financial position key data	30/6/2018	31/12/2017	Change €
Non–Current Assets	263,035	390,071	-127,036
Current Assets	50,410	49,887	523
Equity	286,135	284,311	1,824
Total Liabilities	27,310	155,647	-128,337
Comprenhensive Income key data	**1/1–30/6/2018**	**1/1–30/6/2017**	**Change €**
continuing operations			
Revenue	**35,903**	**35,497**	**406**
Cost of sales	26,572	25,519	1,053
Selling and Administrative Expenses	7,984	8,246	-262
Other operating income	1,652	1,101	551
Profit of the period before interest, taxes, depreciation and amortization (E.B.I.T.D.A.)	**8,505**	**9,682**	**-1,177**
Net Financial Results (costs)	771	854	-83
Consolidated Profit of the period after taxes from continuing operations	**1,854**	**1,663**	**191**
Consolidated (loss) of the period after taxes from discontinued operations	–	-78	78
Consolidated Profit of the period after taxes	**1,854**	**1,585**	**269**

Note: The above financial data derive directly from Consolidated Financial Statements

Balance Sheet & Financial Results at Stand Alone basis

The most important items of Company's Statement of financial position and Statement of profit or loss and other comprehensive income are presented below:

Financial position key data	30/6/2018	31/12/2017	Change €
Non – Current Assets	271,943	378,617	-106,674
Current Assets	31,800	49,958	-18,158
Equity	277,196	273,700	3,496
Total Liabilities	26,547	154,875	-128,328
Comprenhensive Income key data	**1/1–30/6/2018**	**1/1–30/6/2017**	**Change €**
continuing operations			
Revenue	**32,490**	**30,362**	2,128
Cost of Sales	24,705	22,743	1,962
Selling and Administrative Expenses	7,935	8,172	-237
Other operating income	**137**	**1,101**	**-964**
Profit of the period before interest, taxes, depreciation and amortization (E.B.I.T.D.A.)	4,199	4,634	-435

Minoan Lines Shipping S.A. – Report of the Board of Directors for the period 1/1–30/6/2018 (amounts in thousands of €)

Net Financial Results (costs)	833	863	-30
Profit of the period after taxes from continuing operations	**3,526**	**3,763**	**-237**
(Loss) of the period after taxes from discontinued operations	–	-78	78
Profit of the period after taxes	**3,526**	**3,685**	**-159**

Note: The above financial data derive directly from Company's (stand-alone) Financial Statements

Share price

(amounts in €)

Company's share price in Athens Stock Exchange as of 30/6/2018 and respectively as of 30/6/2017 closed at € 2.40. Both the Company and its subsidiary did not held any own shares during the period.

Subsequent Events

On 6/7/2018 it was approved the Company's application for the vessel MYKONOS PALACE to start operating in the "Piraeus–Chania" route as from 15/7/2018. Hence the chartering of the vessel to a subsidiary of the ultimate parent company which expired on 9/7/2018 was not renewed.
There are no other subsequent events as of 30/6/2018.

Prospects for the second half of the year 2018

For the second half of 2018, the Company estimates that its financial figures will be enhanced by the commercial expansion to the new routes "Piraeus–Chania" and "Heraklion–Cyclades", which are popular destinations with significant traffic volumes, especially during the summer high season.
In addition, the Company's financial performance could be affected by the Country's growth, the competition intensity among coastal shipping companies, fluctuations in fuel prices and the development of tourism. Finally, it is estimated that the average net fare prices will not change significantly compared to the first half of 2018.

Risks and Uncertainties

The Company and the Group are exposed mainly to the following financial risks which might possibly be affected by the macroeconomic and operating environment as analyzed below.
This note presents information about the Group's exposure to each of these risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these financial statements.
The Board of Directors has overall responsibility for the establishment and oversight of the Company's and the Group's risk management framework. The Board has delegated authority to the finance division for monitoring of financial risks. The Company's and Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks, adherence to limits and to hedge such risk depending on the prevailing market conditions each period of time. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. Cash and cash equivalents are also elements with high credit risk as the current conditions in Greece exert considerable pressure on domestic banks. In order for the risk to be reduced, the Company's and Group's cash and cash equivalents are only deposited for a short amount of time.

Macroeconomic conditions in Greece–Capital controls

The macroeconomic and financial environment in Greece has become volatile especially after the enforcement of capital controls on June 2015, which include constraints affecting domestic transactions and intra–community & international transactions originating from Greece. Capital controls' continuing enforcement, despite the relaxation of relevant legal framework, is gradually presenting a significant effect on national economy.
Nevertheless, there are still the country's banking system is sallow, mainly with defaulting loans, as well as the financing of the Greek state following the completion of the agreement with the European Stability Mechanism (E.S.M.) in August 2018, which has a negative impact on its outlook.
Within this political and economic framework, as described above, Group's operations continue without any disruption. while all necessary measures are being taken as to secure a smooth operation
Consequently, the Management has assessed that at 30/6/2018 no additional provisions for impairment of financial and non–financial assets are required, than those conducted and reported in the condensed interim financial statements.

Liquidity risk

The liquidity risk is referred to the Company's or the Group's ability to meet their financial obligations as they fall due.The approach adopted by the Company and the Group regarding liquidity management is to ensure the necessary liquidity to meet their liabilities when due. Therefore, it has ensured an appropriate combination of cash, cash equivalents and approved bank credits.

At 30/6/2018 the Group's cash and cash equivalents amounted to € 31,209 compared to € 33,839 as at 31/12/2017, while it is maintained credit lines with cooperating banks, which as at 30/6/2018 and 31/12/2017 amounted to € 7,000 and in total were unused. The interest on the credit lines charged is based on EURIBOR rate and the banks' margin and it is mainly secured by post–dated cheques. Moreover, a lien has been registered on two of the Company's properties. Considering that the available to the Company bank credit balances, the lack of debt obligations and the level of the Group's cash balance, the Management is in a position to claim the non–existence of liquidity risk in the foreseeable future.

Credit risk

The Company's turnover comes from a range of categories like passenger and private vehicles transportation, on board sales (restaurants, bars and shops), transportation of freight units, agency services on the Group's vessels of the overlying parent company and vessels' chartering. Hence, the Company's customer base is analyzed as follows:
A) Those with professional collaboration such as:

- Travel Agents
- Central Agents
- Cargo Companies
- Cargo Owners
- Car rental companies
- Shipping Companies

B) Individuals-Passengers
There are ongoing efforts to attract more potential customers (in all the above categories) in order to enhance sales and develop the Company's customer base. Under the Company's set credit policy, every new customer is analyzed individually for creditworthiness before the Company's standard payment and credit terms and conditions are offered. The Company constantly monitors the balance of its clients and examines the prospect of forming provisions. Hence, a possible failure of the clients to meet their obligations, may affect the Company's results through the creation of relevant provisions. It should be noted that the current economic conditions both in Greece and internationally, create cases of high credit risk, resulting in an increasingly imperative need for provisioning of impairment losses, having adverse effects in the financial results and financial condition of the Company.

Market conditions risk

A common feature of a perfectly competitive market is the freedom of entry and exit. Thus, the deliberate routes in which the Company operates are highly competitive. The effort for growth and increase of each company's market shares could possibly create an overwhelming competition reflected to the financial results of the sector. In this respect the Company, in cooperation with the overlying parent company's Group, reschedules its itineraries seeking efficiency and profit while remaining competitive in terms of pricing, and also, maintains branches in Greece and abroad. A possible intensification of the market conditions in the routes the Company operates could lead to adverse impacts on its operating results, cash position and financial performance. The Company, in cooperation with the overlying parent company's Group, monitors closely the above mentioned competition and acts accordingly.

Foreign exchange risk

Considering the fact that all transactions performed abroad are mainly in the Euro currency, after the adoption of the common European currency, the company's foreign exchange risk is almost eliminated. Furthermore, the Company is not subject to foreign currency risk regarding its loans, taking under consideration that these are denominated in Euro. Indirectly, the Company is exposed to currency risk from the bunkers supplies.

Supply chain

The Company has developed a supply chain in order to serve both the needs for its marine operation (fuel supplies, spare parts, etc.) as well as the needs of its hotelier business (stores, restaurants and bars). No particular difficulty or delay in the supply of goods and services has been observed. The capital controls imposed on Greek banking system since June 2015 have not produced any significant delays in Company's supply chain performance. In addition, the long-term cooperation and the trust relationship that has been developed amongst the Company and its suppliers facilitate all parties to overcome any difficulty that may arise.

Fuel prices

The main risk in which the company is exposed is the sensitivity of fuel prices. Due to the nature of the sector and as fuel cost is the most significant part of cost of sales, the Company is exposed to the said risk. Moreover, the Company considers several financial derivatives' strategies that will be used accordingly in case the proper situation arises. Having already taken a series of actions, the Company has succeeded in reducing substantially the fuel consumption in the current financial year.
It is noted that during first half of 2018 there was a significant increase in the level of international fuel prices.

Compliance with new Regulation

Based on the decisions of the IMO Marine Environment Protection Commission, ships are permitted to supply marine fuel with a sulfur content of 3.5% and 1.5% until 31/12/2019. However, according to regulation enforced, starting form 1/1//2020 it becomes mandatory the use of low-sulfur marine fuel of 0.5% sulfur content for all vessels. The introduction of low sulfur regulation requires that Group's existing fleet should adapt to new fuel standards. Compliance of existing fleet with low-sulfur regulation may involve investments (application of scrubbers technology), or alternatively, the consumption exclusively of low-sulfur marine fuel. In any case, it is not expected low sulfur regulation to have a significant impact on Group's financial position

Minoan Lines Shipping S.A. – Report of the Board of Directors for the period 1/1–30/6/2018 (amounts in thousands of €)

Environmental risk

The Company pays great attention to environmental issues. In this context, and being aware of the importance of environmental safeguard and protection for human activities as well as of the needs arising from technology, progress and the market, it has been created an environmental policy, which complies not only with the IMO ISM Code and ISO 14001:2004 but also with the environmental regulatory framework.

Non-Discrimination / Equal employment opportunity policies

The Company provides equal employment opportunities and treatment despite the age, sexual orientation, race or ethnic origin, religion or belief. Promoting equality and equal opportunities in the employment field is a key pursuit and priority of the Company and applies to all levels of the administrative pyramid.
Candidates in each department, administrative position, or supervisory body should have the appropriate qualifications and skills as well as deep knowledge and experience in their field of employment. Furthermore, the Company invests in the training of its employees aiming at their continuous improvement as well as their professional development while the Company protects the rights of its employees.
Promoting the principles of the essential equality in the workplace for all participants, regardless of their personal characteristics and / or choices, combined with the continuing training of the employees and the Company's code of ethics which includes, among others, values such as quality, transparency, responsibility, respect, innovation, contribute to the upgrading of the services provided and the overall performance optimization of the Company's human resources.

Significant transactions among the related parties

The tables below present the most significant transactions among the related parties according to I.A.S. 24 for the period 1/1–30/6/2018 and 1/1–30/6/2017 respectively:

1/1–30/6/2018					The Company			The Group
	Minoan Lines Shipping S.A.					Minoan Italia S.p.A.		
company	Grimaldi Group S.p.A. *	Grimaldi Euromed S.p.A.	Grimaldi Maritime Agencies Sweden AB	Grimaldi Belgium n.v.	Totals	Grimaldi Group S.p.A.	Grimaldi Euromed S.p.A.	Totals
Expenses related to the on board sales (concession fees etc)	–	3,674	–	–	**3,674**	–	–	**3,674**
Attributing agency costs	–	-1,709	–	–	**-1,709**	–	–	**-1,709**
Other expenses	2	-	–	1	**3**	11	–	**14**
Totals	**2**	**1,965**	**–**	**1**	**1,968**	**11**	**–**	**1,979**
Revenue from crew coat reduction of vessels	83	224	–	–	**307**	–	-	**307**
Revenue from services rendered (commissions, fees and other revenue related to agency operation)	67	4,567	–	–	**4,634**	–	–	**4,634**
Revenue related to the on board sales	–	1,297	–	–	**1,297**	–	–	**1,297**
Chartering revenue	–	539	–	–	**539**	–	2,907	**3,446**
Revenue from bunker disposal	–	-	–	–	**–**	–	570	**570**
Other revenue	–	15	1	–	**16**	–	–	**16**
Procceds from sale of tangible assets	–	–	–	–	**–**	–	70,000	**70,000**
Totals	**150**	**6,642**	**1**	**–**	**6,793**	**–**	**73,477**	**80,270**

** Grimaldi Tours is included*

1/1–30/6/2017							
	Minoan Lines Shipping S.A.				The Company	Minoan Italia S.p.A.	The Group
company	Grimaldi Group S.p.A. *	Grimaldi Euromed S.p.A.	Grimaldi Deep Sea S.p.A.	Grimaldi Belgium n.v.	Totals	Grimaldi Group S.p.A.	Totals
Expenses related to the on–board sales (concession fees etc)	–	3,907	–	–	**3,907**	–	**3,907**

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Attributing costs related to agency operation	–	-1,227	-110	–	**-1,337**	–	**-1,337**
Other expenses	-2	-7	–	1	**-8**	10	**2**
Totals	**-2**	**2,673**	**-110**	**1**	**2,562**	**10**	**2,572**
Revenue from crew coat reduction of vessels	–	240	–	–	**240**	–	**240**
Revenue from services rendered (commissions, fees and other revenue related to agency operation)	62	4,616	26	–	**4,704**	–	**4,704**
Revenue related to the on–board sales	–	1,321	–	–	**1,321**	–	**1,321**
Revenue from bunker disposal	318	275	–	–	**593**	–	**593**
Totals	**380**	**6,452**	**26**	**–**	**6,858**	**–**	**6,858**

** Grimaldi Tours is included*

The aforementioned transactions were made at arm's length.

Here below the most significant outstanding balances on 30/6/2018 and 31/12/2017 between the related parties are presented:

30/6/2018			**The Company**			**The Group**
	Minoan Lines Shipping S.A.			**Minoan Italia S.p.A.**		
company	**Grimaldi Group S.p.A. ***	**Grimaldi Euromed S.p.A.**	**Totals**	**Grimaldi Group S.p.A.**	**Grimaldi Euromed S.p.A.**	**Totals**
due from	329	–	**329**	–	69	**398**
payable to	–	2,623	**2,623**	10	–	**2,633**

** Grimaldi Tours is included*

31/12/2017					**The Company**	**The Group**
	Minoan Lines Shipping S.A.					
company	**Grimaldi Group S.p.A. ***	**Grimaldi Euromed S.p.A.**	**Grimaldi Deep Sea S.p.A.**	**Finnlines Plc**	**Totals**	**Totals**
due from	29	1,243	49	–	**1,321**	**1,321**
payable to	–	–	–	13	**13**	**13**

** Grimaldi Tours is included*

Compensations to Directors and members of the Board of Directors

The short–term compensations of the Company to Directors and members of the Board of Directors are presented on the table below:

	30/6/2018	**30/6/2017**
Executive directors	214	261
Non – executive directors	170	104
Management	423	413
Totals	**807**	**778**

Of the total remunerations above, an amount of € 67 and € 63 remains unpaid as of 30/6/2018 and 30/6/2017 respectively. Moreover, for the period ended June 30th 2018, the Company concluded commercial transactions with B.o.D. members amounting to € 88, of which an amount of € 201 was receivable and an amount of € 6 was payable, as of 30/6/2018. Finally, for the period 1/1-30/6/2018, transactions with relatives of the management and of executives amounted to € 109, while it was unpaid the amount of € 7, as of 30/6/2018. The nature of these transactions was mainly labour (payroll) and commercial cooperation (compensation for goods and services received)

Board of Directors – Size and Composition

The Ordinary General Shareholders' Meeting of 22/6/2017 elected the members of the current Board of Directors of the Company, and also the members of the Audit Committee. The elected on 22/6/2017 B.o.D consists of nine (9) members, of which on 30/6/2018 were two executive, five non-executive members and two independent non-executive members. The executive members are occupied in the company or serve it by exerting administrative duties. The non-executive members of the B.o.D. do not exert administrative duties. Moreover, 3 members of the Audit Committee meet the conditions as independent in the sense of the provisions of Law 3016/2002 and have no relationship of dependence with the Company or its affiliated persons, as required by art. 44 par. 1 of Law 4449/2017.

Minoan Lines Shipping S.A. – Report of the Board of Directors for the period 1/1–30/6/2018 (amounts in thousands of €)

Name	**Status**	**Starting of tenure**	**Expiry of tenure**
1. Emanuele Grimaldi	Chairman - Executive member	22/6/2017	G.A. of 2021
2. Michael Hatzakis	Vice Chairman - Non-executive member & member of the Audit Committee	22/6/2017	G.A. of 2021
3. Antonis Maniadakis	Managing Director - Executive member	22/6/2017	G.A. of 2021
4. Gianluca Grimaldi	Non-executive member	22/6/2017	G.A. of 2021
5. Paul Kyprianou	Non-executive member & member of the Audit Committee	22/6/2017	G.A. of 2021
6. Diego Pacella	Non-executive member & member of the Audit Committee	22/6/2017	G.A. of 2021
7. Mario Fuduli	Non-executive member	22/6/2017	G.A. of 2021
8. Constantine Mamalakis	Non-executive member – independent member & member of the Audit Committee	22/6/2017	G.A. of 2021
9. George Papageorgiou	Non-executive member – independent member & member of the Audit Committee	22/6/2017	G.A. of 2021

Heraklion, September 17th, 2018
For and on behalf of the B.o.D.

The Chairman of the B.o.D.

Emanuele Grimaldi
Pass No IT / AA 2179472

The Managing Director

Antonios Maniadakis
ID C No AI 944699

[Translation from the original text in Greek]

Report on Review of six-month financial report
To the Board of directors of «MINOAN LINES SHIPPING S.A.»

Introduction

We have reviewed the accompanying condensed company and consolidated statement of financial position of «MINOAN LINES SHIPPING S.A.» (the "Company"), as of 30 June 2018 and the related condensed company and consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flow statements for the six-month period then ended, with the selected explanatory notes that comprise the interim condensed financial information and the other data of the six-month financial report. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Financial Reporting Standards as they have been adopted by the European Union and applied to interim financial reporting (International Accounting Standard "IAS 34") and of the other data of the six-month financial report. Our responsibility is to express a conclusion on this six-month financial report 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". 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, as they have been transposed into Greek Law 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 is not prepared, in all material respects, in accordance with IAS 34, and the other data of the six-month financial report in accordance with article 5 of Law 3556/2007.

Athens, 18 September 2018
The Certified Auditor

Despina Marinou
SOEL Reg. No.17681

PricewaterhouseCoopers S.A.
268 Kifissias Avenue
152 32 Halandri, Greece
SOEL Reg. No. 113

Condensed interim Company stand–alone and consolidated financial statements for the period ended June 30th 2018 (1/1–30/6/2018)

IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS
as adopted by the European Union

The condensed interim Company stand–alone and consolidated financial statements were approved by the Company's Board of Directors' meeting on **September 17th, 2018** and have been published to the electronic address **www.minoan.gr**. It is noted that the published, in the press, condensed financial data aim to provide the user with general information of the Company's and Group's financial results and position, according to International Financial Reporting Standards.

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The impact of the adoption of IFRS 9 and IFRS 15 was recognized in the "Retained Earnings" without adjusting the comparative figures for 2017 (note 3.2)

The amounts of the condensed interim financial statements are presented in thousands of € unless explicitly stated otherwise. Any last digit discrepancies are due to rounding of the figures.

(amounts in thousands of €)

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

	Note	The Group		The Company	
		1/1–30/6/2018	1/1–30/6/2017	1/1–30/6/2018	1/1–30/6/2017
Continuing operations					
Revenue	5	35,903	35,497	32,490	30,362
Cost of sales	6	-26,572	-25,519	-24,705	-22,743
Gross Profit		**9,331**	**9,978**	**7,785**	**7,619**
Other operating income	7	1,652	1,101	137	1,101
Selling expenses	8	-5,086	-5,066	-5,079	-5,008
Administrative expenses	9	-2,898	-3,180	-2,856	-3,164
Other operating expenses	10	-267	-198	-266	-196
Operating Profit before financing costs		**2,732**	**2,635**	**-279**	**352**
Finance income		117	36	55	27
Finance expenses		-888	-890	-888	-890
Net finance results		**-771**	**-854**	**-833**	**-863**
Dividend received	11	–	–	4,638	4,274
Profit of the period before taxes		**1,961**	**1,781**	**3,526**	**3,763**
Income tax	12	-107	-118	–	–
Profit of the period after taxes from continuing operations		**1,854**	**1,663**	**3,526**	**3,763**
Profit of the period after taxes from discontinued operations		–	-78	–	-78
Profit of the period after taxes (a)		**1,854**	**1,585**	**3,526**	**3,685**
Other comprehensive income of the period after taxes (b)		–	–	–	–
Total comprehensive income of the period after taxes (a) + (b)		**1,854**	**1,585**	**3,526**	**3,685**
The Profit of the period after taxes is attributable to :					
Owners of the parent company		**1,854**	**1,585**	**3,526**	**3,685**
Non-controlling Interests		–	–	–	–
Profit of the period after taxes (a)		**1,854**	**1,585**	**3,526**	**3,685**
The total comprehensive income of the period after taxes is attributable to :					
Owners of the parent		**1,854**	**1,585**	**3,526**	**3,685**
Non-controlling interests		–	–	–	–
Total comprehensive income of the period after taxes (a) + (b)		**1,854**	**1,585**	**3,526**	**3,685**
Basic Earnings of the period after taxes per share (in €)					
from continuing operations		**0.0173**	**0.0155**	**0.0330**	**0.0352**
from discontinued operations		–	-0.0007	–	-0.0007
Total Basic Earnings per share after taxes	13	**0.0173**	**0.0148**	**0.0330**	**0.0344**

*** The impact of the adoption of IFRS 9 and IFRS 15 was recognized in the "Retained Earnings" without adjusting the comparative figures for 2017 (note 3.2)**

The accompanying notes on pages 18–32 are an integral part of the Condensed Interim Financial Statements.

(amounts in thousands of €)

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	The Group		The Company	
		30/6/2018	31/12/2017	30/6/2018	31/12/2017
Assets					
Non–current assets					
Tangible and related intagible assets	14	248,428	292,067	246,113	154,970
Intangible assets	14	126	138	126	138
Investment property	15	1,155	1,176	1,155	1,176
Investments in subsidiaries	16	–	–	11,223	125,643
Other non-current financial assets	17	107	83,414	107	83,414
Other long term assets–receivables	18	13,219	13,276	13,219	13,276
Total non–current assets		**263,035**	**390,071**	**271,943**	**378,617**
Current assets					
Inventories	19	3,142	2,476	3,142	2,476
Trade and other receivables	20	14,082	13,002	14,015	19,587
Other current assets	20	1,977	570	1,971	506
Cash and cash equivalents	21	31,209	33,839	12,672	27,389
Total current assets		**50,410**	**49,887**	**31,800**	**49,958**
Total Assets		**313,445**	**439,958**	**303,743**	**428,575**
Equity and liabilities					
Equity					
Share capital	22	240,705	240,705	240,705	240,705
Share premium		25,744	25,744	25,744	25,744
Other reserves		14,062	13,818	13,108	13,108
Retained earnings		5,624	4,044	-2,361	-5,857
Total Equity attributable to equity holders of the parent		**286,135**	**284,311**	**277,196**	**273,700**
Non-controlling interests		–	–	–	–
Total equity		**286,135**	**284,311**	**277,196**	**273,700**
Non–current liabilities					
Loans	23	–	125,221	–	125,221
Deferred tax liabilities	12	–	179	–	–
Retirement benefit obligations		1,400	1,420	1,400	1,420
Other provisions		186	188	186	188
Total Non–current liabilities		**1,586**	**127,008**	**1,586**	**126,829**
Current liabilities					
Loans-current portion of long term loans	23	–	13,818	–	13,818
Income tax obligations		270	–	–	–
contractual obligations		7,009	–	7,009	–
Trade and other payables		18,445	14,821	17,952	14,228
Total Current liabilities		**25,724**	**28,639**	**24,961**	**28,046**
Total liabilities		**27,310**	**155,647**	**26,547**	**154,875**
Total equity and liabilities		**313,445**	**439,958**	**303,743**	**428,575**

*** The impact of the adoption of IFRS 9 and IFRS 15 was recognized in the "Retained Earnings" without adjusting the comparative figures for 2017 (note 3.2)**

The accompanying notes on pages 18–32 are an integral part of the Condensed Interim Financial Statements.

(amounts in thousands of €)

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

	Note	Share Capital	Share Premium	Other Reserves	Retained Earnings	Total Equity
Balance as at 1/1/2017		**240,705**	**25,744**	**13,073**	**-9,705**	**269,817**
Changes in equity 1/1–30/6/2017						
Profit of the period after taxes (a)					3,685	**3,685**
Other comprehensive income of the period after taxes (b)					–	**–**
Total comprehensive income of the period after taxes (a) + (b)					**3,685**	**3,685**
Balance as at 30/6/2017		**240,705**	**25,744**	**13,073**	**-6,020**	**273,502**
Balance as at 31/12/2017		**240,705**	**25,744**	**13,108**	**-5,857**	**273,700**
Change in accounting policy	3.2				-30	**-30**
Adjusted Balance as at 1/1/2018		**240,705**	**25,744**	**13,108**	**-5,887**	**273,670**
Changes in equity 1/1–30/6/2018						
Profit of the period after taxes (a)					3,526	**3,526**
Other comprehensive income of the period after taxes (b)					–	**–**
Total comprehensive income of the period after taxes (a) + (b)					**3,526**	**3,526**
Balance as at 30/6/2018		**240,705**	**25,744**	**13,108**	**-2,361**	**277,196**

*** The impact of the adoption of IFRS 9 and IFRS 15 was recognized in the "Retained Earnings" without adjusting the comparative figures for 2017 (note 3.2)**

The accompanying notes on pages 18–32 are an integral part of the Condensed Interim Financial Statements.

(amounts in thousands of €)

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Attributed to owners of the parent company						
		Share Capital	Share Premium	Other Reserves	Retained Earnings	Total Shareholders' Equity	Non-controlling interests	Total Equity
Balance as at 1/1/2017		**240,705**	**25,744**	**13,558**	**188**	**280,195**	**–**	**280,195**
Changes in equity 1/1–30/6/2017								
Transfer between retained earnings and other reserves (ordinary reserve)				225	-225	–	–	–
Profit of the period after taxes (a)					1,585	**1,585**	–	**1,585**
Other comprehensive income of the period after taxes (b)					–	–	–	–
Total comprehensive income of the period after taxes (a) + (b)					**1,585**	**1,585**	**–**	**1,585**
Balance as at 30/6/2017		**240,705**	**25,744**	**13,783**	**1,548**	**281,780**	**–**	**281,780**
Balance as at 31/12/2017		**240,705**	**25,744**	**13,818**	**4,044**	**284,311**	**–**	**284,311**
Change in accounting policy	3.2				-30	**-30**	–	**-30**
Adjusted Balance as at 1/1/2018		**240,705**	**25,744**	**13,818**	**4,014**	**284,281**	**–**	**284,281**
Changes in equity 1/1–30/6/2018								
Transfer between retained earnings and other reserves (ordinary reserve)				244	-244	–	–	–
Profit of the period after taxes (a)					1,854	**1,854**	–	**1,854**
Other comprehensive income of the period after taxes (b)					–	–	–	–
Total comprehensive income of the period after taxes (a) + (b)					**1,854**	**1,854**	**–**	**1,854**
Balance as at 30/6/2018		**240,705**	**25,744**	**14,062**	**5,624**	**286,135**	**–**	**286,135**

*** The impact of the adoption of IFRS 9 and IFRS 15 was recognized in the "Retained Earnings" without adjusting the comparative figures for 2017 (note 3.2)**

The accompanying notes on pages 18–32 are an integral part of the Condensed Interim Financial Statements.

(amounts in thousands of €)

CONDENSED INTERIM STATEMENT OF CASH FLOWS

	Note	The Group		The Company	
		1/1–30/6/2018	1/1–30/6/2017	1/1–30/6/2018	1/1–30/6/2017
Cash Flows from Operating Activities					
Profit of the period before taxes		**1,961**	**1,703**	**3,526**	**3,685**
plus / (less) adjustments for :					
Net depreciation		5,773	7,047	4,477	4,283
Provisions		207	-615	207	-615
Net Foreign Exchange		13	-12	13	-12
[(Income), (gains)] from other investing activities		-1,513	–	-4,637	-4,274
Interest and other financial expenses		888	890	888	890
plus / (less) Adjustments for changes in working capital or operating activities :					
(Increase) / decrease in inventories		-666	212	-666	212
(Increase) / decrease in trade and other receivables		-2,637	18,442	-2,644	17,793
Increase / (decrease) in liabilities other than borrowings		10,554	-13,598	10,671	-13,596
(less) :					
Interest and related expenses paid		-628	-830	-628	-830
Income taxes paid		–	-1,175	–	-1,030
Net cash Generated by operating activities (a)		**13,952**	**12,064**	**11,207**	**6,506**
Cash Flows from Investing activities					
Share purchase of other investments		–	-507	–	-507
Return of capital from affiliate	16	–	–	121,020	286
Purchase of tangible and intangible assets	14 & 17	-25,782	-780	-90,782	-780
Sale of tangible assets	14	70,000	–	–	–
Procceds from sale of non-current financial assets	17	78,500	–	78,500	–
Dividends received	16	–	–	4,638	4,274
Net cash Generated by / (used in) investing activities (b)		**122,718**	**-1,287**	**113,376**	**3,273**
Cash Flows from financing activities					
Repayment of long / short term borrowings	23	-139,300	-4,736	-139,300	-4,736
Net cash (Used in) Financing activities (c)		**-139,300**	**-4,736**	**-139,300**	**-4,736**
Net (Decrease) / increase in cash and cash equivalents (a) + (b) + (c)		**-2,630**	**6,041**	**-14,717**	**5,043**
Cash and cash equivalents at the beginning of the period		**33,839**	**29,379**	**27,389**	**29,273**
Cash and cash equivalents at the end of the period	21	**31,209**	**35,420**	**12,672**	**34,316**

*** The impact of the adoption of IFRS 9 and IFRS 15 was recognized in the "Retained Earnings" without adjusting the comparative figures for 2017 (note 3.2)**

The accompanying notes on pages 18–32 are an integral part of the Condensed Interim Financial Statements.

Notes to the condensed interim Company stand–alone and consolidated financial statements for the period ended June 30th 2018 (1/1–30/6/2018)

1. General Company's information

The Company was established on May 25th 1972 (Government Gazette 939–25/5/1972), is based in the Municipality of Heraklion–Crete and its discrete name is "MINOAN LINES". It operates in the Ferry shipping sector both in Domestic and International sea routes.
The number of the personnel employed during the six–month periods ended June 30th 2018 and June 30th 2017 was 508 and 390, 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 as well as the weighted average number of ordinary shares on 30/6/2018 and on 30/6/2017 was 106,980,050.The total market capitalization reached € 256,752. Every share carries one voting right.
From 2008, the majority of the Company's shares are held by "Grimaldi Group S.p.A." a member of the Grimaldi Group which is based in Palermo–Italy and became overlying parent company which has control of both the Company and the Group.
The General Shareholders' Meeting elects the Board of Directors which consists of 7–9 members. The current structure of the Board of Directors is comprised by nine (9) members, who were elected by the General Shareholders' Meeting held on 22/6/2017. On 30/6/2018, two (2) members of the board were executive, five (5) were non–executive and two (2) were non–executive–independent members.
The condensed interim financial statements for the period ended June 30th 2018, which were approved by the Board of Directors meeting on September 17th, 2018, include the condensed interim Company stand–alone and the consolidated financial statements (the «Financial Statements»).
The condensed interim consolidated financial statements include the Company and its subsidiaries (the Group.
The subsidiary that is included in the consolidated financial statements and the ownership interests that the parent Company holds, directly or indirectly, are outlined in the table below:

company	Consolidation Method	Headquarters	% Interest 2018	% Interest 2017
Minoan Italia S.p.A.	Full	Palermo–Italy	100%	100%

2. Basis of preparation of the Financial Statements

2.1 Statement of compliance

The condensed interim financial statements have been prepared in accordance with International Accounting Standard 34 (interim financial reporting).
The condensed interim financial statements do not include all notes and information required and it is recommended they be read in conjunction with the Annual Financial Statements for the year ended December 31st 2017.
These financial statements have been prepared on the basis that the Group operates as a going concern which implies that it takes all necessary measures and proceeds to all the necessary actions and negotiations in order to has sufficient financial resources to meet its financial and operating obligations for the foreseeable future. More specifically, the Group through the measures taken by the Management in the previous years as well as in the current period has generated profitable results, which are constantly improved from period to period. Moreover, despite the difficulties created by the recent imposition of capital controls in Greece (note 4.2), the Group has sufficient liquidity, has no debt obligations and is fully consistent with its obligations to the Social Security's Organizations, to the Tax Authorities, to its employees and to its suppliers. This fact enables the Group to smoothly continue its activities.
The comparative amounts of the statement of comprehensive income and the related notes have been adjusted to include continuing operations.
The amounts of the condensed interim financial statements are presented in thousands of €, unless explicitly stated otherwise. Any last digit discrepancies are due to the rounding of the figures.

2.2 Use of estimates

The preparation of the Financial Statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.
Significant estimates and critical judgements in applying accounting policies that have significant effect on the Financial Statements as well as those which involve potential risk for adjustment in the next fiscal year do not differ from those applied in the Annual Financial Statements as of December 31st 2017.

(amounts in thousands of €)

3. Significant accounting policies

The significant accounting policies adopted for the preparation of the condensed interim financial statements on 30/6/2018, except the mentioned below, are those applied for the preparation of the Annual Financial Statements on 31/12/2017 and have been published in the Company's web site www.minoan.gr.

3.1 Tangible and intangible assets

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The carrying amount of the above items is increased by the subsequent expenditures incurred only if there is probability that the future economic benefits embodied within these expenditures will flow to the Group companies and its cost can be measured reliably. All other costs are recognized in the income statement.
Borrowing costs directly attributable to the acquisition or construction of property, for assets that are necessarily required for a substantial period of time to get ready for use are capitalized as part of the cost of ownership of the asset till the time that the assets are substantially ready for use or sale, comes.All other costs are recognized in the profit or loss as incurred.
The net result from the assets disposal is determined by comparing the net sale proceeds reduced with the carrying value of the asset and the gain or loss is recognized in the income statement as other operating income/expense.
Depreciation is recognized in the income statement on a straight–line basis over the estimated useful life of each asset. Land is not depreciated. The residual and useful lives of assets are reviewed on an annual basis.
The depreciation of the vessels is calculated on the cost less the residual value, estimated at 15% of the acquisition cost including any new additions while for the High Speed Catamarans (HSC) is estimated at 20%. Management's estimates that may have an effect in the future on the financial statements relate to the useful lives and the residual value of vessels. The useful lives and the residual value are based on historical data and assumptions that, at the present time, are considered reasonable. The aforementioned assumptions are not expected to change within the next 12 months.
The estimated useful lives are as follows:

Asset	Years
Buildings	33
Vessels	35 from the building year
High Speed Catamarans	25 from the building year
Vessels' spare parts	5
Vessels' equipment	4.16
Drydockings	4 (attributing in proportion to the period of validity)
Transportation Means	6.66
Furniture and relevant equipment	6.66
Computers and Software	4.16
Mobile phones & tablets	2
Operational rights	according to the period of validity

3.2 Change in accounting policies

a. IFRS 15 "Revenue from contracts with customers"

IFRS 15 supersedes IAS 11 and IAS 18 and related Interpretations. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognized. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The Company will adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognized in retained earnings as of 1 January 2018 and that comparatives will not be restated. The Company performed an assessment on its revenue streams based on the five steps prescribed in the standard in order to identify any impacted areas. Management has determined that contracts in general comprise of a single performance obligation and prices are fixed, based on stand-alone selling prices derived from price lists. Revenue is recognized at a point in time when the service is provided to the customer. Based on this assessment the Company concluded that this standard will have no significant effect on its Financial Statements. A contract liability is recognized when there is an obligation to transfer goods or services to a customer for which the Group or the Company has received consideration from the customer or there is an unconditional right to receive consideration before the Group or the Company transfers a good or a service. On the basis of these, the Group recognizes as contract liabilities the deferred income, which includes mainly the pre-sale of tickets and the cost of the customer loyalty program, as well as the advanced payments received from customers. The table below shows the financial position items affected by the adoption of IFRS 15

	The Group			The Company		
	31/12/2017	Adjustments	1/1/2018	31/12/2017	Adjustments	1/1/2018
Short–term contractual obligations	–	2,989	2,989	–	2,400	2,400
Suppliers and other current liabilities	14,821	-2,989	11,832	14,228	-2,400	11,828

b. IFRS 9 "Financial Instruments"

IFRS 9 replaces the guidance in IAS 39 which deals with the classification and measurement of financial assets and financial liabilities and it also includes an expected credit losses model that replaces the incurred loss impairment model used today. IFRS 9 establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the current model in IAS 39. The Company adopted the new standard on 1 January 2018 and did not restate the comparative information. On 31/12/2017, the Group held equity instruments that have been classified under that time in force standard (IAS 39) as available for sale and were measured at fair value through profit or loss. Following this classification, the Group continues to recognize these equity instruments, if they continue to meet the provisions of the new Standard, and measure them at fair value through profit or loss. Thus, the Management estimates that the new Standard, during the initial recognition as well as in the subsequent periods, in respect of the equity instruments the company holds, did not have a different effect on the Group's financial statements in relation to the applied until 31/12/2017. For trade receivables the Company applied the simplified approach to providing for expected credit losses, which requires the use of the lifetime expected loss provision for all trade receivables. As a result from the adoption of relevant standard, there was an increase in the loss allowance resulting in a negative impact on its equity which reached the amount of € 30. Finally, there was no impact on the classification and measurement of the Group's financial liabilities. The table below shows the financial position items affected by the adoption of the IFRS 9.

(amounts in thousands of €)

	The Group			The Company		
	31/12/2017	Adjustments	1/1/2018	31/12/2017	Adjustments	1/1/2018
Available for sale financial assets	83,414	-83,414	–	83,414	-83,414	–
Financial assets on fair value through P&L	–	83,414	83,414	–	83,414	83,414
Additional impairment loss on trade receivables	13,002	-30	12,972	19,587	30	19,617
Retained Earnings adjustments	4,044	-30	4,014	-5,859	-30	-5,889

3.3 New standards, interpretations and amendments of existing standards

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current financial year and subsequent years. The Group is in the process of assessing the impact of the implementations of the IFRS amendments in the financial statements. In any such case, unless otherwise stated, the Group considers that the following amendments have no or insignificant effect to the interim condensed financial statements.

Standards and Interpretations effective for the current financial year

IFRS 9 "Financial Instruments" and subsequent amendments to IFRS 9 and IFRS 7
IFRS 9 replaces the guidance in IAS 39 which deals with the classification and measurement of financial assets and financial liabilities and it also includes an expected credit losses model that replaces the incurred loss impairment model that was applied under IAS 39. IFRS 9 establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the previous model in IAS 39. The effect from applying the standard to the Group is described in note 3.2.

IFRS 15 "Revenue from Contracts with Customers"
IFRS 15 has been issued in May 2014. The objective of the standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognized. The underlying principle is that an entity recognizes revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The effect from applying the standard to the Group is described in note 3.2.

IAS 40 (Amendments) "Transfers of Investment Property"
The amendments clarified that to transfer to, or from, investment properties there must be a change in use. To conclude if a property has changed use there should be an assessment of whether the property meets the definition and the change must be supported by evidence.

IFRIC 22 "Foreign currency transactions and advance consideration"
The interpretation provides guidance on how to determine the date of the transaction when applying the standard on foreign currency transactions, IAS 21. The interpretation applies where an entity either pays or receives consideration in advance for foreign currency-denominated contracts.

Annual Improvements to IFRS 2014 (2014 – 2016 Cycle)

IAS 28 "Investments in associates and Joint ventures"
The amendments clarified that when venture capital organizations, mutual funds, unit trusts and similar entities use the election to measure their investments in associates or joint ventures at fair value through profit or loss (FVTPL), this election should be made separately for each associate or joint venture at initial recognition.

Standards and Interpretations effective for subsequent periods

IFRS 9 (Amendments) "Prepayment Features with Negative Compensation" (effective for annual periods beginning on or after 1 January 2019)
The amendments allow companies to measure particular pre-payable financial assets with so-called negative compensation at amortized cost or at fair value through other comprehensive income if a specified condition is met—instead of at fair value through profit or loss.

IFRS 16 "Leases" (effective for annual periods beginning on or after 1 January 2019)
IFRS 16 has been issued in January 2016 and supersedes IAS 17. The objective of the standard is to ensure the lessees and lessors provide relevant information in a manner that faithfully represents those transactions. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. The Group is in the process of assessing the impact of the application of the standard, which in any case is not expected to be significant.

IAS 28 (Amendments) "Long term interests in associates and joint ventures" (effective for annual periods beginning on or after 1 January 2019)

The amendments clarify that companies account for long-term interests in an associate or joint venture—to which the equity method is not applied—using IFRS 9. **The amendments have not yet been endorsed by the EU**.

IFRIC 23 "Uncertainty over income tax treatments" (effective for annual periods beginning on or after 1 January 2019)
The interpretation explains how to recognize and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. IFRIC 23 applies to all aspects of income tax accounting where there is such uncertainty, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates. **The interpretation has not yet been endorsed by the EU**.

IAS 19 (Amendments) "Plan amendment, curtailment or settlement" (effective for annual periods beginning on or after 1 January 2019)
The amendments specify how companies determine pension expenses when changes to a defined benefit pension plan occur. **The amendments have not yet been endorsed by the EU**.

Annual Improvements to IFRS (2015 – 2017 Cycle) (effective for annual periods beginning on or after 1 January 2019)

The amendments set out below include changes to four IFRSs. **The amendments have not yet been endorsed by the EU**.

IFRS 3 "Business combinations"
The amendments clarify that a company re-measures its previously held interest in a joint operation when it obtains control of the business.

IFRS 11 "Joint arrangements"
The amendments clarify that a company does not re-measure its previously held interest in a joint operation when it obtains joint control of the business.

IAS 12 "Income taxes"
The amendments clarify that a company accounts for all income tax consequences of dividend payments in the same way.

IAS 23 "Borrowing costs"
The amendments clarify that a company treats as part of general borrowings any borrowing originally made to develop an asset when the asset is ready for its intended use or sale.

4. Financial risk management

4.1 General

The Company and the Group are exposed mainly to the following financial risks which might possibly be affected by the macroeconomic and operating environment as analyzed below:

- Liquidity
- Credit
- Market conditions

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's and the Group's risk management framework. The Board has delegated authority to the finance division for monitoring of financial risks. The Company's and Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks, adherence to limits and to hedge such risk depending on the prevailing market conditions each period of time. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. Cash and cash equivalents are also elements with high credit risk as the current conditions in Greece exert considerable pressure on domestic banks. In order for the risk to be reduced, the Company's and Group's cash and cash equivalents are only deposited for a short amount of time.

4.2 Macroeconomic conditions in Greece–Capital controls

The macroeconomic and financial environment in Greece has become volatile especially after the enforcement of capital controls on June 2015, which include constraints affecting domestic transactions and intra–community & international transactions originating from Greece. Capital controls' continuing enforcement, despite the relaxation of relevant legal framework, is gradually presenting a significant effect on national economy. Nevertheless, there are still the country's banking system is sallow, mainly with defaulting loans, as well as the financing of the country following the completion of the agreement with the European Stability Mechanism (E.S.M.) in August 2018, which has a negative impact on its outlook. Within this political and economic framework, as described above, Group's operations continue without any disruption. while all necessary measures are being taken as to secure a smooth operation. Consequently, the Management has assessed that at 30/6/2018 no additional provisions for impairment of financial and non–financial assets are required, than those conducted and reported in note 10.

4.3 Liquidity risk

The liquidity risk is referred to the Company's or the Group's ability to meet their financial obligations as they fall due.The approach adopted by the Company and the Group regarding liquidity management is to ensure the necessary liquidity to meet their liabilities when due. Therefore, it has ensured an appropriate combination of cash, cash equivalents and approved bank credits. At 30/6/2018 the Group's cash and cash equivalents amounted to € 31,209 compared to € 33,839 as at 31/12/2017 while maintaining credit lines with cooperating banks, which as at 30/6/2018 and 31/12/2017 amounting to € 7,000 and in total were unused. The interest on the credit lines charged is based on the sum of the EURIBOR rate and the banks' margin and are mainly secured by post–dated cheques. Moreover, a lien has been registered on two of the Company's properties. Considering that the available to the Company bank credit balances, the lack of debt obligations and the level of the Group's cash balance, the Management is in a position to claim the non–existence of liquidity risk in the foreseeable future.

4.4 Credit risk

The Company's turnover comes from a range of categories like passenger and private vehicles transportation, on board sales (restaurants, bars and shops), transportation of freight units, agency services on the Group's vessels of the overlying parent company and vessels' chartering. Hence, the Company's customer base is analyzed as follows:
A) Those with professional collaboration such as:

- Travel Agents
- Central Agents
- Cargo Companies
- Cargo Owners
- Car rental companies
- Shipping Companies

B) Individuals-Passengers
There are ongoing efforts to attract more potential customers (in all the above categories) in order to enhance sales and develop the Company's customer base. Under the Company's set credit policy, every new customer is analyzed individually for creditworthiness before the Company's standard payment and credit terms and conditions are offered. The Company constantly monitors the balance of its clients and examines the prospect of forming provisions. Hence, a possible failure of the clients to meet their obligations, may affect the Company's results through the creation of relevant provisions. It should be noted that the current economic conditions both in Greece and internationally, create cases of high credit risk, resulting in an increasingly imperative need for provisioning of impairment losses, having adverse effects in the financial results and financial condition of the Company.

4.5 Market conditions risk

A common feature of a perfectly competitive market is the freedom of entry and exit. Thus, the deliberate routes in which the Company operates are highly competitive. The effort for growth and increase of each company's market shares could possibly create an overwhelming competition reflected to the financial results of the sector. In this respect the Company, in cooperation with the overlying parent company's Group, reschedules its itineraries seeking efficiency and profit while remaining competitive in terms of pricing, and also, maintains branches in Greece and abroad. A possible intensification of the market conditions in the routes the Company operates could lead to adverse impacts on its operating results, cash position and financial performance. The Company, in cooperation with the overlying parent company's Group, monitors closely the above mentioned competition and acts accordingly.

4.5.1 Foreign exchange risk

Considering the fact that all transactions performed abroad are mainly in the Euro currency, after the adoption of the common European currency, the company's foreign exchange risk is almost eliminated. Furthermore, the Company is not subject to foreign currency risk regarding its loans, taking under consideration that these are denominated in Euro. Indirectly, the Company is exposed to currency risk from the bunkers supplies.

4.6 Supply chain

The Company has developed a supply chain in order to serve both the needs for its marine operation (fuel supplies, spare parts, etc.) as well as the needs of its hotelier business (stores, restaurants and bars). No particular difficulty or delay in the supply of goods and services has been observed. The capital controls imposed on Greek banking system since June 2015 have not produced any significant delays in Company's supply chain performance. In addition, the long-term cooperation and the trust relationship that has been developed amongst the Company and its suppliers facilitate all parties to overcome any difficulty that may arise.

4.7 Fuel prices

The main risk in which the company is exposed is the sensitivity of fuel prices. Due to the nature of the sector and as fuel cost is the most significant part of cost of sales, the Company is exposed to the said risk. Moreover, the Company considers several financial derivatives' strategies that will be used accordingly in case the proper situation arises. Having already taken a series of actions, the Company has succeeded in reducing substantially the fuel consumption in the current financial year. Additionally, on January 1st 2017 the time-charter agreements of vessels "Cruise Europa" and "Cruise Olympia", operating in the north Adriatic market, were expired without to be renewed. Hence, the Company depends on a lesser degree from fuel prices fluctuation.
It is noted that during first half of 2018 there was a significant increase in the level of international fuel prices.

4.8 Compliance with new Regulation

Based on the decisions of the IMO Marine Environment Protection Commission, ships are permitted to supply marine fuel with a sulfur content of 3.5% and 1.5% until 31/12/2019. However, according to regulation enforced, starting form 1/1//2020 it becomes mandatory the use of low-sulfur marine fuel of 0.5% sulfur content for all vessels. The introduction of low sulfur regulation requires that Group's existing fleet should adapt to new fuel standards. Compliance of existing fleet with low-sulfur regulation may involve investments (application of scrubbers technology), or alternatively, the consumption exclusively of low-sulfur marine fuel. In any case, it is not expected low sulfur regulation to have a significant impact on Group's financial position

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4.9 Environmental risk

The Company pays great attention to environmental issues. In this context, and being aware of the importance of environmental safeguard and protection for human activities as well as of the needs arising from technology, progress and the market, it has been created an environmental policy, which complies not only with the IMO ISM Code and ISO 14001:2004 but also with the environmental regulatory framework.

4.10 Fair value estimation

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:
Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all data with significant effect on the recorded fair value are visible, either directly or indirectly.
Level 3: techniques which use data with significant effect on the recorded fair value and are based on apparent market data.
On 30/6/2018 and 31/12/2017 respectively, the Group and the Company held the following financial instruments measured at fair value:

		The Group		The Company	
	Level	30/6/2018	31/12/2017	30/6/2018	31/12/2017
Financial instruments					
Available for sale financial assets	3	-	83,414	-	83,414
Other Financial assets on fair value through P&L	3	107	-	107	-

The financial assets of Level 3 are related to investments in stocks of two non-listed cooperative banks and one non-listed domestic company in which the Group holds negligible shares. Their valuation is based on their financial statements, which reflect the assets at fair value. The decline observed during the period is due to the sale of the investment in Hellenic Seaways Shipping S.A. Detailed information is provided in note 17.
Finally, the fair value of the following financial assets and liabilities is reflected in their book value:

- Trade and other receivables
- Other current assets
- Cash and cash equivalents (other than bank overdrafts)
- Trade and other payables
- The following assets and liabilities of the Group are held for sale:
  - Cash and cash equivalents
  - Other current assets
  - Trade and other payables
  - Other current liabilities

5. Revenue

	The Group		The Company	
Continuing operations	30/6/2018	30/6/2017	30/6/2018	30/6/2017
Revenue from vessels' operations (fares, chartering & agency fees)	28,948	28,453	25,536	23,318
Revenue from restaurants–bars	4,573	4,283	4,573	4,283
Revenue from shops on board	2,382	2,761	2,381	2,761
Totals	**35,903**	**35,497**	**32,490**	**30,362**

6. Cost of sales

	The Group		The Company	
Continuing operations	30/6/2018	30/6/2017	30/6/2018	30/6/2017
Payroll cost	5,012	4,549	5,012	4,549
Bunkers and lubricants–on board sales costs	9,456	8,154	9,456	8,154
Port expenses–Maintenances–Consumables	732	665	732	665
Various other costs–Depreciation	11,372	12,151	9,505	9,375
Totals	**26,572**	**25,519**	**24,705**	**22,743**

(amounts in thousands of €)

7. Other operating income

Continuing operations	The Group 30/6/2018	The Group 30/6/2017	The Company 30/6/2018	The Company 30/6/2017
Gain from sale of vessel	1,513	–	–	–
Commissions received & Income from services to third parties	46	60	46	60
Rental income	5	5	5	5
Reversal of provisions for contingent liabilities	–	844	–	844
Income from reversal of impairment loss due to debt recovery	24	89	24	89
Various other Income	64	103	62	103
Totals	**1,652**	**1,101**	**137**	**1,101**

8. Selling expenses

Continuing operations	The Group 30/6/2018	The Group 30/6/2017	The Company 30/6/2018	The Company 30/6/2017
Payroll cost	2,288	2,288	2,288	2,288
Commissions paid–Advertising and promotion expenses	2,503	2,486	2,496	2,428
Various other costs–Depreciation	295	292	295	292
Totals	**5,086**	**5,066**	**5,079**	**5,008**

9. Administrative expenses

Continuing operations	The Group 30/6/2018	The Group 30/6/2017	The Company 30/6/2018	The Company 30/6/2017
Payroll cost	1,456	1,567	1,456	1,567
Third parties fees and expenses	639	912	634	906
Various other costs–Depreciation	803	701	766	691
Totals	**2,898**	**3,180**	**2,856**	**3,164**

10. Other operating expenses

As at 30/6/2018 is included mainly an impairment provision for certain clients which conducted amounting € 200, whilst has reduced the item "Receivables" of the condensed interim financial statements (note 20). As at 30/6/2017 the respective amount was € 220.

11. Dividends income from subsidiaries

The amounts presented are dividends for the fiscal years 2017 and 2016 respectively received by the parent from the subsidiary Minoan Italia S.p.A. The decision for the year 2017 was taken in the regular General Assembly of the company held in April 2018.

12. Income tax

Continuing operations	The Group 30/6/2018	The Group 30/6/2017	The Company 30/6/2018	The Company 30/6/2017
Income tax expense estimation for the period ended	286	138	–	–
Deferred tax	-179	-20	–	–
Totals	**107**	**118**	**–**	**–**

In the statement of financial position under current liabilities are presented the amounts of the "Income tax obligations" which on 30/6/2018 and 31/12/2017 on a consolidated basis amounted to €270 while on 31/12/2017 present no outstanding balance. Finally, in the long–term liabilities of financial position are included the amounts of "Deferred tax liabilities" of the Group which at 30/6/2018 present no outstanding balance while on 31/12/2017 amounted to € 179.

13. Earnings per share

	The Group 30/6/2018	The Group 30/6/2017	The Company 30/6/2018	The Company 30/6/2017
Profit of the period attributable to shareholders of the Parent				
from continuing operations	1,854	1,663	3,526	3,763
from discontinued operations	–	-78	–	-78
Total Profit	**1,854**	**1,585**	**3,526**	**3,685**
Weighted average number of shares outstanding	**106,980,050**	**106,980,050**	**106,980,050**	**106,980,050**

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Basic Earnings of the period per share after taxes (in €)				
from continuing operations	0.0173	0.0155	0.0330	0.0352
from discontinued operations	–	-0.0007	–	-0.0007
Total Earnings per share	**0.0173**	**0.0148**	**0.0330**	**0.0344**

14. Tangible and intangible assets

The Group

	Land	Buildings	Transportation equipment	Vessels – Spare parts – Drydockings – Vessels' other equipment – Operational rights	Furniture – Computers – Other equipment – Mobile phones & tablets	Software	Totals
Cost at 1/1/2017	**2,110**	**6,297**	**8**	**452,284**	**3,503**	**3,285**	**467,487**
Acquisitions and additions 1/1–31/12/2017	–	23	–	1,131	151	105	**1,410**
Less / (plus): Disposals–Transfers–Write offs 1/1–31/12/2017	–	–	–	-1,524	70	–	**-1,454**
Costs at 31/12/2017	**2,110**	**6,320**	**8**	**454,939**	**3,584**	**3,390**	**470,351**
Cost at 1/1/2018	**2,110**	**6,320**	**8**	**454,939**	**3,584**	**3,390**	**470,351**
Acquisitions and additions 1/1–30/6/2018	–	–	–	25,671	97	14	**25,782**
Less / (plus): Disposals–Transfers–Write offs 1/1–30/6/2018	–	–	–	102,110	38	–	**102,148**
Costs at 30/6/2018	**2,110**	**6,320**	**8**	**378,500**	**3,643**	**3,404**	**393,985**
Accumulated Depreciation at 1/1/2017	**–**	**3,119**	**8**	**154,684**	**3,083**	**3,180**	**164,074**
Depreciation for the period 1/1–31/12/2017	–	257	–	13,660	160	72	**14,149**
Less / (plus) : Disposed / Transferred assets accumulated depreciation 1/1–31/12/2017	–	–	–	6	71	–	**77**
Accumulated Depreciation at 31/12/2017	**–**	**3,376**	**8**	**168,338**	**3,172**	**3,252**	**178,146**
Accumulated Depreciation at 1/1/2018	**–**	**3,376**	**8**	**168,338**	**3,172**	**3,252**	**178,146**
Depreciation for the period 1/1–30/6/2018	–	129	–	5,521	78	26	**5,754**
Less / (plus) : Disposed / Transferred assets accumulated depreciation 1/1–30/6/2018	–	–	–	38,433	36	–	**38,469**
Accumulated Depreciation at 30/6/2018	**–**	**3,505**	**8**	**135,426**	**3,214**	**3,278**	**145,431**
Net book value at :							
1/1/2017	**2,110**	**3,178**	**–**	**297,600**	**420**	**105**	**303,413**
31/12/2017	**2,110**	**2,944**	**–**	**286,601**	**412**	**138**	**292,205**
30/6/2018	**2,110**	**2,815**	**–**	**243,074**	**429**	**126**	**248,554**

On 8/3/2018, the Company's subsidiary Minoan Italia S.p.A. concluded the sale of the vessel M/V Cruise Bonaria to Grimaldi Euromed S.p.A., to which the vessel had been chartered since January 2018. The net procceds for the sale amounted to € 70,000. The consolidated gain from the above sale reached € 1,513 million and included in the "Other operating income" (note 7).

The Company

	Land	Buildings	Transportation equipment	Vessels – Spare parts – Drydockings – Vessels' other equipment – Operational rights	Furniture – Computers – Other equipment – Mobile phones & tablets	Software	Totals
Cost at 1/1/2017	**2,110**	**6,297**	**8**	**238,563**	**3,503**	**3,285**	**253,766**
Acquisitions and additions 1/1–31/12/2017	–	23	–	1,131	151	105	**1,410**
Less / (plus): Disposals–Transfers–Write offs 1/1–31/12/2017	–	–	–	-1,524	70	–	**-1,454**
Costs at 31/12/2017	**2,110**	**6,320**	**8**	**241,218**	**3,584**	**3,390**	**256,630**
Cost at 1/1/2018	**2,110**	**6,320**	**8**	**241,218**	**3,584**	**3,390**	**256,630**
Acquisitions and additions 1/1–30/6/2018	–	–	–	90,671	97	14	**90,782**
Less / (plus): Disposals–Transfers–Write offs 1/1–30/6/2018	–	–	–	-4,810	38	–	**-4,772**
Costs at 30/6/2018	**2,110**	**6,320**	**8**	**336,699**	**3,643**	**3,404**	**352,184**
Accumulated Depreciation at 1/1/2017	**–**	**3,119**	**8**	**83,589**	**3,083**	**3,180**	**92,979**
Depreciation for the period 1/1–31/12/2017	–	257	–	8,131	160	72	**8,620**
Less / (plus) : Disposed / Transferred assets accumulated depreciation 1/1–31/12/2017	–	–	–	6	71	–	**77**
Accumulated Depreciation at 31/12/2017	**–**	**3,376**	**8**	**91,714**	**3,172**	**3,252**	**101,522**

(amounts in thousands of €)

Accumulated Depreciation at 1/1/2018	**–**	**3,376**	**8**	**91,714**	**3,172**	**3,252**	**101,522**
Depreciation for the period 1/1–30/6/2018	–	129	–	4,225	78	26	**4,458**
Less / (plus) : Disposed / Transferred assets accumulated depreciation 1/1–30/6/2018	–	–	–	-1	36	–	**35**
Accumulated Depreciation at 30/6/2018	**–**	**3,505**	**8**	**95,940**	**3,214**	**3,278**	**105,945**
Net book value at :							
1/1/2017	**2,110**	**3,178**	**–**	**154,974**	**420**	**105**	**160,787**
31/12/2017	**2,110**	**2,944**	**–**	**149,504**	**412**	**138**	**155,108**
30/6/2018	**2,110**	**2,815**	**–**	**240,759**	**429**	**126**	**246,239**

In June 2018, completed the transfer of the vessel MYKONOS PALAS against € 65,000 to the Company by its subsidiary Minoan Italia S.p.A.
Information related to the purchase of the vessel SANTORINI PALACE and the acquired right of activation and non-competition which are included in the category "Vessels–Spare parts–Drydockings–Vessels' other equipment–Operational rights " are presented in note 17. Moreover, information on mortgages, liens on the above mentioned assets is included in note 23. It was examined whether there are any indications of impairment in their value as at 30/6/2018 and no reason for impairment arisen.

15. Investment property

The movement of investment property is presented in the table below:

	The Group			The Company		
	Land	**Buildings**	**Totals**	**Land**	**Buildings**	**Totals**
Cost at 1/1/2017	**557**	**1,195**	**1,752**	**557**	**1,195**	**1,752**
Costs at 31/12/2017	**557**	**1,195**	**1,752**	**557**	**1,195**	**1,752**
Cost at 1/1/2018	**557**	**1,195**	**1,752**	**557**	**1,195**	**1,752**
Costs at 30/6/2018	**557**	**1,195**	**1,752**	**557**	**1,195**	**1,752**
Accumulated Depreciation at 1/1/2017	**–**	**535**	**535**	**–**	**535**	**535**
Depreciation for the period 1/1–31/12/2017	–	41	**41**	–	41	**41**
Accumulated Depreciation at 31/12/2017	**–**	**576**	**576**	**–**	**576**	**576**
Accumulated Depreciation at 1/1/2018	**–**	**576**	**576**	**–**	**576**	**576**
Depreciation for the period 1/1–30/6/2018	–	21	**21**	–	21	**21**
Accumulated Depreciation at 30/6/2018	**–**	**597**	**597**	**–**	**597**	**597**
Net book value at :						
1/1/2017	**557**	**660**	**1,217**	**557**	**660**	**1,217**
31/12/2017	**557**	**619**	**1,176**	**557**	**619**	**1,176**
30/6/2018	**557**	**598**	**1,155**	**557**	**598**	**1,155**

In order to secure short-term obligations of the Company, a mortgage has been registered on the property. It was examined whether there are any indications of impairment in its value as at 30/6/2018 and no reason for impairment arisen.

16. Investments in subsidiaries

Investments in subsidiaries are as follows:

company	**Participation amount**	
	30/6/2018	**31/12/2017**
Minoan Italia S.p.A.	11,223	125,643
Totals	**11,223**	**125,643**

Following the transfers of its vessels (note 14), decisions were taken through Extraordinary General Meetings by the 100% subsidiary Minoan Italia S.p.A. to reduce its share capital by a total amount of € 114.420 and the return of this amount to the parent company. On 30/6/2018, both this reimbursement and the remaining on 31/12/2017 amount of the previous capital return decision (€ 6,600) were completed. The subsidiary has a satisfactory liquidity (€ 18,537) and is considering activities that can develop.
Finally, an amount of € 4,638 relating to the dividend for the year 2017 received by the parent company from the subsidiary Minoan Italia S.p.A. is included in the results of the Company under "Dividend income from participations". The decision for the distribution was taken in the General Assembly of the company held in April 2018.
Information regarding the pledging of the shares of subsidiary Minoan Italia S.p.A. included in note 23.

17. Other non–current financial assets

The other non–current financial assets amounting € 107 on 30/6/2018 and € 83,414 on 31/12/2017 (note 3.2). The current period's amount refers to investments in stocks of two non-listed cooperative banks and one non-listed domestic company in which the Group holds negligible shares. The variation of € 83.307 is due to the completion of the agreement signed in

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October 2017 between the Company and ATTICA Holdings S.A. for the disposal of the 48.53% stake held by the Company in the non-listed company Hellenic Seaways Shipping S.A. On 26/10/2017, a framework agreement with ATTICA Holdings S.A. was executed in principle, in order to proceed with the transfer of all the shares it currently holds at the Hellenic Seaways Shipping S.A. as well as to the sale of 2 vessels. More specifically, this framework agreement includes the following individual and interrelated (en bloc) transactions:

- The sale to ATTICA Holdings S.A. of 37,667,504 shares of Hellenic Seaways Shipping S.A. which currently represent 48.53% of the paid up share capital, for a consideration to the amount of € 78,500. Along with this the Company acquires the right to operate on the "Heraklion-Cyclades" route with the simultaneous commitment of ATTICA Holdings S.A. not to operate its group on this route for a period of three years.
- The purchase of the vessel "HIGHSPEED 7", that is owned by Hellenic Seaways Shipping S.A., for a total purchasing price of € 25,000.
- The purchase by a company owned by the Grimaldi Group, the main shareholder of Minoan Lines SA, of the vessel "SUPERFAST XII" that is owned by ATTICA FERRIES MARITIME COMPANY, a 100% subsidiary of ATTICA Holdings S.A., for a total purchasing price of €74,500.

The agreement following the completion on securing of all the necessary approvals (Hellenic Competition Commission, corporate etc) and the acquisition of control of Hellenic Seaways Shipping S.A. by ATTICA Holdings S.A., finalized on11/6/2018.

The Company to assess the fair value of the acquired right of activation and non-competition has received a valuation study from an independent recognized valuator that was conducted in accordance with method accepted by IFRS (method of discounted free cash flow).

On the basis of the above, the Company derecognized its participation in Hellenic Seaways Shipping S.A and recognized in the tangible assets the acquisition of the vessel "HIGHSPEED 7" amounting to € 25,000 and as intangible asset the acquisition of the right of activation and non-competition amounting to € 4,807. The right will be amortized on a straight-line basis over a three-year period (note 14). Upon completion of all the above from the total transaction no profit or loss has been incurred for the Company and the Group.

Furthermore it was examined whether there are any indications of impairment for the other financial assets as at 30/6/2018 and no reason for impairment arisen.

18. Other long term assets–receivables

In the other term assets–receivables, mainly included which are expected receivables of the Company to be collected in a period exceeding one year. For these receivables the Company has respectively recorded provisions and adjustments to present value. By including these adjustments the present value of these receivables, which is expected to be recovered, amounts to € 13,183 as at 30/6/2018 and € 13,239 as at 31/12/2017 respectively.

19. Inventories

	The Group		The Company	
	30/6/2018	31/12/2017	30/6/2018	31/12/2017
Merchandise	2,257	1,910	2,257	1,910
Consumables	885	566	885	566
Totals	**3,142**	**2,476**	**3,142**	**2,476**

20. Trade and other receivables–Other current assets

	Trade and Other Receivables			
	The Group		The Company	
	30/6/2018	31/12/2017	30/6/2018	31/12/2017
Customers–Cheques Receivable	12,634	11,994	12,567	11,994
Trade receivables due from affiliates (note 16)	–	–	–	6,600
Other Receivables	1,448	1,008	1,448	993
Totals	**14,082**	**13,002**	**14,015**	**19,587**

	Other current assets			
	The Group		The Company	
	30/6/2018	31/12/2017	30/6/2018	31/12/2017
Prepaid Expenses	1,490	265	1,490	265
Accrued Income	487	305	481	241
Totals	**1,977**	**570**	**1,971**	**506**

The variations observed are mainly due to seasonality.

(amounts in thousands of €)

21. Cash and Cash equivalents

	The Group		The Company	
	30/6/2018	31/12/2017	30/6/2018	31/12/2017
Cash on hand	545	6,736	545	286
Cash in banks and time deposits	30,664	27,103	12,127	27,103
Totals	**31,209**	**33,839**	**12,672**	**27,389**

Deposits are located mainly in banks with high credit rating index.

22. Share capital

(the amounts of note 22 are presented in €)

The share capital of the Company is divided into 106,980,050 ordinary shares with a nominal value of € 2.25 each. The equity holders of ordinary shares receive dividend when it is approved for distribution by the General Shareholders' Meeting. Every ordinary share carries one voting right at the General Shareholders' Meetings. The weighted average number of shares on 30/6/2018 and on 30/6/2017 was 106,980,050. Both the Company and its subsidiary did not held own shares during the period.

23. Loans – Short–term bank borrowings

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

	Average interest rate 1/1–30/6/2018	30/6/2018	Average interest rate 1/1–30/6/2017	31/12/2017
Bond Loan–Agent National Bank of Greece	0.85%	–	0.85%	139,300
Less : Net book value of transaction costs		–		-261
Total bond loan		**–**		**139,039**
Less : current portion of long–term loan		–		-13,818
Total long–term debt		**–**		**125,221**

On 29/6/2018 the Company's bond loan was fully repaid.
The interest expense of the above long–term debt for the periods ended June 30th 2018 and 2017 amounted to € 420 and € 655 respectively.
The removal of the mortgages that had been registered on the Company's fleet to secure the above mentioned bond loan was completed in August and now all the Company's vessels are free of charge. Similarly for the pledge of subsidiary's Minoan Italia's S.p.A. shares, which had been registered to secure the same bond loan, all legal proceedings have been activated to complete its removal.
The removal of the mortgages on the Company's vessels concluded within August. Moreover, the legal actions for the removal of the pledge of the shares of subsidiary Minoan Italia S.p.A. are in progress. As at 30/6/2018 and 31/12/2017 there are no short–term borrowings. To secure the approved short–term borrowings two of the Company's properties have been mortgaged (note 14).

24. Operating segments

The Group operates its business mainly in the passenger ferry shipping industry and has been engaged in the agency service of vessels / routes as well as on–board sales (bars–restaurants, shops etc.) on vessels owned by the group of the overlying parent company.
The Management monitors the Group's operations based on their type and allocates these operations as follows:
•Vessels' operations that include an analysis of all operations / activities associated with the Group's owned vessels.
• Other activities that include an analysis of all operations related to vessels / routes agency services and to on–board sales on vessels of the ultimate parent company's group.
Due to the nature of its business activities, the Company encounters the effect of seasonality relating to the revenue from passengers' and private cars' fares, the commissions received for agency services as well as the revenue from on–board services (bars–restaurants, shops etc). On the contrary, the revenue from truck fares is evenly spread throughout the year.

The Group

1/1–30/6/2018 Continuing operations	Vessels' operations	Other commercial activities	Unallocated items	Totals
Revenue	24,182	11,721	–	**35,903**
Gross Profit of the period	3,733	5,598	–	**9,331**
Profit / (loss) of the period before depreciation, taxation, financing and investment costs (e.b.i.t.d.a.)	10,102	3,850	-5,447	**8,505**
Net depreciation	-5,521	-32	-220	**-5,773**
Profit / (loss) before taxation, financing and investment costs	4,581	3,818	-5,667	**2,732**
Financial income	62	–	55	**117**
Financial expense	-515	-165	-208	**-888**
Profit / (loss) of the period before taxes	4,128	3,653	-5,820	**1,961**

(amounts in thousands of €)

Income tax	-107	–	–	**-107**
Profit / (loss) of the period after taxes from continuing operations	**4,021**	**3,653**	**-5,820**	**1,854**
Result of the period after taxes from discontinued operations	–	–	–	–
Profit / (loss) of the period after taxes	**4,021**	**3,653**	**-5,820**	**1,854**
30/6/2018				
Total assets	274,903	1,095	37,447	**313,445**
Total liabilities	3,981	12,813	10,516	**27,310**
Capital expenditure	25,182	17	583	**25,782**

The Group

1/1-30/6/2017 Continuing operations	Vessels' operations	Other commercial activities	Unallocated items	Totals
Revenue	23,585	11,912	–	**35,497**
Gross Profit of the period	4,387	5,591	–	**9,978**
Profit / (loss) of the period before depreciation, taxation, financing and investment costs (e.b.i.t.d.a.)	10,701	3,766	-4,785	**9,682**
Net depreciation	-6,789	-34	-224	**-7,047**
Profit / (loss) before taxation, financing and investment costs	3,912	3,732	-5,009	**2,635**
Financial income	8	–	28	**36**
Financial expense	-554	-157	-179	**-890**
Profit / (loss) of the period before taxes	3,366	3,575	-5,160	**1,781**
Income tax	-118	–	–	**-118**
Profit / (loss) of the period after taxes from continuing operations	**3,248**	**3,575**	**-5,160**	**1,663**
Profit of the period after taxes from discontinued operations	-78	–	–	-78
Profit / (loss) of the period after taxes	**3,170**	**3,575**	**-5,160**	**1,585**
31/12/2017				
Total assets	306,407	94,697	38,855	**439,958**
Total liabilities	108,333	31,356	15,958	**155,647**
Capital expenditure	1,207	38	165	**1,410**

The Unallocated items which cannot be reasonably allocated, thus are totally monitored by Management analyzed as follows:

- Total profit / loss before depreciation, tax, financing and investing costs, mainly relate to administrative and selling expenses.
- Total financial income / expenses refer to interest income and general financial expenses.
- Total assets relate mainly the cash and cash equivalents as well as receivables from customers / debtors who operate in both operation categories.
- Total liabilities include mainly the suppliers and creditors who provide services / goods that are also related to both operation categories.

25. Related party transactions

During 2008, the company "GRIMALDI GROUP S.p.A." having its registered address in Palermo Italy, acquired the majority of the Company's shares, and thus became the ultimate controlling party exercising control on the Company and the Group. Related parties are considered the Group of the ultimate parent company, the members of the Board of Directors and management of subsidiaries of the Group, as well as the financially dependent members and first–degree relatives of the members of the Board of Directors and management, and the associate companies.
Presented in the tables below are the receivable and payable balances between the related parties on 30/6/2018 and 31/12/2017, as well as purchases (services received) and sales (services provided) for the periods 1/1–30/6/2018 and 1/1–30/6/2017 respectively:

25.1 Group of ultimate parent company

30/6/2018	The Company			The Group		
	Minoan Lines Shipping S.A.			Minoan Italia S.p.A.		
company	Grimaldi Group S.p.A. *	Grimaldi Euromed S.p.A.	Totals	Grimaldi Group S.p.A.	Grimaldi Euromed S.p.A.	Totals
due from	329	–	**329**	–	69	**398**
payable to	–	2,623	**2,623**	10	–	**2,633**

* Grimaldi Tours is included

(amounts in thousands of €)

31/12/2017					The Company	The Group
	Minoan Lines Shipping S.A.					
company	Grimaldi Group S.p.A. *	Grimaldi Euromed S.p.A.	Grimaldi Deep Sea S.p.A.	Finnlines Plc	Totals	Totals
due from	29	1,243	49	–	**1,321**	**1,321**
payable to	–	–	–	13	**13**	**13**

* Grimaldi Tours is included

1/1–30/6/2018					The Company			The Group
	Minoan Lines Shipping S.A.					Minoan Italia S.p.A.		
company	Grimaldi Group S.p.A. *	Grimaldi Euromed S.p.A.	Grimaldi Maritime Agencies Sweden AB	Grimaldi Belgium n.v.	Totals	Grimaldi Group S.p.A.	Grimaldi Euromed S.p.A.	Totals
Expenses related to the on board sales (concession fees etc)	–	3,674	–	–	**3,674**	–	–	**3,674**
Attributing agency costs	–	-1,709	–	–	**-1,709**	–	–	**-1,709**
Other expenses	2	-	–	1	**3**	11	–	**14**
Totals	**2**	**1,965**	**–**	**1**	**1,968**	**11**	**–**	**1,979**
Revenue from crew coat reduction of vessels	83	224	–	–	**307**	–	–	**307**
Revenue from services rendered (commissions, fees and other revenue related to agency operation)	67	4,567	–	–	**4,634**	–	–	**4,634**
Revenue related to the on board sales	–	1,297	–	–	**1,297**	–	–	**1,297**
Chartering revenue	–	539	–	–	**539**	–	2,907	**3,446**
Revenue from bunker disposal	–	-	–	–	**–**	–	570	**570**
Other revenue	–	15	1	–	**16**	–	–	**16**
Procceds from sale of tangible assets	–	–	–	–	**–**	–	70,000	**70,000**
Totals	**150**	**6,642**	**1**	**–**	**6,793**	**–**	**73,477**	**80,270**

* Grimaldi Tours is included

1/1–30/6/2017					The Company		The Group
	Minoan Lines Shipping S.A.					Minoan Italia S.p.A.	
company	Grimaldi Group S.p.A. *	Grimaldi Euromed S.p.A.	Grimaldi Deep Sea S.p.A.	Grimaldi Belgium n.v.	Totals	Grimaldi Group S.p.A.	Totals
Expenses related to the on–board sales (concession fees etc)	–	3,907	–	–	**3,907**	–	**3,907**
Attributing agency costs	–	-1,227	-110	–	**-1,337**	–	**-1,337**
Other expenses	-2	-7	–	1	**-8**	10	**2**
Totals	**-2**	**2,673**	**-110**	**1**	**2,562**	**10**	**2,572**
Revenue from crew coat reduction of vessels	–	240	–	–	**240**	–	**240**
Revenue from services rendered (commissions, fees and other revenue related to agency operation)	62	4,616	26	–	**4,704**	–	**4,704**
Revenue related to the on–board sales	–	1,321	–	–	**1,321**	–	**1,321**
Revenue from bunker disposal	318	275	–	–	**593**	–	**593**
Totals	**380**	**6,452**	**26**	**–**	**6,858**	**–**	**6,858**

* Grimaldi Tours is included

Minoan Lines Shipping S.A. – condensed interim Company stand–alone and consolidated financial statements for the period 1/1–30/6/2018 (amounts in thousands of €)

25.2 Subsidiaries

30/6/2018 company	Minoan Italia S.p.A.
Minoan Lines Shipping S.A.	–

31/12/2017 company	Minoan Italia S.p.A.	Totals
Minoan Lines Shipping S.A.		
due from	6,600	**6,600**

1/1–30/6/2018 company	Minoan Lines Shipping S.A.	Minoan Italia S.p.A.	Totals
Minoan Lines Shipping S.A.			
2017 Dividend received	–	4,638	**4,638**
Minoan Italia S.p.A.			
Value of vessel's transfer	65,000	–	**65,000**
Totals	**65,000**	**4,638**	**69,638**

1/1–30/6/2017 company	Minoan Italia S.p.A.	Totals
Minoan Lines Shipping S.A.		
2016 Dividend received	4,274	**4,274**
Totals	**4,274**	**4,274**

All the above transactions, as referred to notes 25.1 and 25.2, were entered into at arm's length.

25.3 Members of the Board of Directors and management

The remuneration to the Members of the Board of Directors and the Company's management are analysed as follows:

	30/6/2018	30/6/2017
Executive directors	214	261
Non – executive directors	170	104
Management	423	413
Totals	**807**	**778**

Of the total remunerations above, an amount of € 67 and € 63 remains unpaid as at 30/6/2018 and 30/6/2017 respectively. Moreover, for the period ended June 30th 2018, the Company concluded commercial transactions with B.o.D. members amounting to € 88, of which an amount of € 201 was receivable and an amount of € 6 was payable, as of 30/6/2018. Finally, transactions with relatives of the Management and executives for the period ended 30/6/2018 amounted to € 109 while remains unpaid as at 30/6/2018 € 7. The nature of these transactions was mainly labor (payroll) and commercial cooperation (fees for goods and services received).

26. Offsetting of financial assets and liabilities

The following table presents the compensation of financial assets and liabilities held in current period and previous year:

	Initial Balances		Balances to be offset		Net Balances as presented in the Financial Statements	
	30/6/2018	31/12/2017	30/6/2018	31/12/2017	30/6/2018	31/12/2017
		The Group				
Financial assets						
Trade and other receivables	26,739	21,289	-12,657	-8,287	14,082	13,002
Financial liabilities						
Trade and other payables *	38,111	23,108	12,657	8,287	25,454	14,821
		The Company				
Financial assets						
Trade and other receivables	26,672	27,874	-12,657	-8,287	14,015	19,587
Financial liabilities						
Trade and other payables *	37,618	22,516	12,657	8,287	24,961	14,229

* Both contractual and other obligations are included

(amounts in thousands of €)

27. Contingent liabilities

Further the mentioned below, there are no other changes in contingent liabilities of the Company and the Group as referred to the Annual Financial Statements of 2017.

(a) A court order was issued whereby the Company was imposed to pay an amount of € 800 plus interest. The nature of the contingent liability is commercial (claim for damages by a former port agent of the Company). The Company appealed against this court decision and its appeal was accepted by the Supreme Court. After this decision the case heard again by the competent appeal court, but in a different to the initial composition, as determined by the decision of the Supreme Court and dismissed. Similarly, the appellant's appeal against that refusal was also dismissed. Therefore, this case closed irrevocably without any effect to the Company.

(b) The unaudited tax years for the Companies that are included in the Financial Statements are presented below:

company	Unaudited tax years
Minoan Lines Shipping S.A.	2012–2018
Minoan Italia S.p.A.	2012–2018

The Company has not been audited by the tax authorities for the financial year 2012 and onwards. Respectively, the Italian subsidiary Minoan Italia S.p.A. has not been audited for the years 2012 to 2018. On 2017, the audit of the subsidiary by the Italian tax authorities for the years 2012–2014 started. Until the approval date of the interim financial report, this audit is in progress and has not been finalized. During this audit, the management believes that no significant additional tax liabilities will be arisen.

For the year 2011 onwards, the Company receives annually a "Tax Compliance Report ". The "Tax Compliance Report" is issued by the statutory auditor that audits the annual financial statements. Following the completion of a tax audit, the auditor issues the "Tax Compliance Report" which submits electronically to the Ministry of Finance.

For the Company the “Tax Compliance Report” for the unaudited by the tax authorities years 2012–2017 has been issued by the statutory auditors and no adjustments with respect to the tax expense and corresponding tax provision as reflected in the annual financial statements of those years has arisen.

28. Subsequent events

On 6/7/2018 was approved the Company's application for the vessel MYKONOS PALACE to start operating on the "Piraeus–Chania" route as from 15/7/2018. Hence the chartering of the vessel to a subsidiary of the ultimate parent company which expired on 9/7/2018 was not renewed.

There are no other subsequent events relating to the Company or the Group that have occurred and need to be disclosed according to International Accounting Standard 34.

Heraklion, September 17th, 2018

The Chairman of the B.o.D.	The Managing Director	The Chief Financial Officer	The Accounting Director
Emanuele Grimaldi	**Antonios Maniadakis**	**Nikolaos Artemis**	**Isidoros Manolakis**
Pass No IT / AA 2179472	**ID C No AI 944699**	**ID C No AK 004796**	**ID C No AE 961838** **H.E.C. ID No 113468 – A' Class**