



# **Interim financial statements**

*(parent company & consolidated)*

*for the period from January 1st to March 31st 2015*

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*It is certified that the attached interim financial statements for the period from 1<sup>st</sup> of January to 31<sup>st</sup> of March 2014 are those approved by the Board of Directors of ANEK S.A. on 27<sup>th</sup> of May 2015 and posted on the internet at [www.anek.gr](http://www.anek.gr).*

*It is noted that the present interim report is translated from the Greek original copy.*

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## **REVIEW REPORT ON INTERIM FINANCIAL INFORMATION**

*To the shareholders of*

**ANEK LINES S.A.**

### **Introduction**

We have reviewed the accompanying condensed separate and consolidated statement of financial position of the Company "ANEK LINES A.E." and of its subsidiaries as at 31 March 2015 and the relative condensed separate and consolidated statements of comprehensive income, changes in equity and cash flows for the three-month period then ended, as well as the selected explanatory notes, that constitute the interim financial information. Management is responsible for the preparation and presentation of this condensed interim financial information, in accordance with International Financial Reporting Standards, as adopted by the European Union (EU) and which apply to Interim Financial Reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

### **Scope of review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit.

Accordingly, we do not express an audit opinion.

### **Conclusion**

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

### **Emphasis of Matters**

We draw your attention to:

a) note (13) to the interim financial information where reference is made to the maritime incident of the chartered ship Norman Atlantic that happened on 28.12.2014. The incident, which is insured by an inter-

national Mutual Insurance Co-operative, is still under investigation and, therefore, reasonable uncertainty exists as to its progress and its contingent effects on the financial statements of the Group.

b) note (2) to the interim financial information and in particular to the fact that the working capital of the Group is negative by Euro 265,65 mil., the capital adequacy of the Group has worsened significantly and are applicable for the Company the provisions of the article 48 of cod. L. 2190/1920, while in parallel exist overdue liabilities to employees and third parties. The above facts and the overall adverse conditions in economy indicate the existence of material uncertainty in respect of the Group's ability to continue un-hindered in operation as a going concern. In note (2) to the interim financial information reference is made to the measures taken or planned by the management in order to ensure the Group's continuation in operation as a going concern.

Our conclusion is not qualified in respect of these matters.

**Athens, 27 May 2015**

**The Certified Public Accountants**

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**INTERIM SEPARATE & CONSOLIDATED FINANCIAL  
STATEMENTS AS OF 31<sup>ST</sup> OF MARCH 2015**

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***Financial statements amounts are expressed in thousands €.***

***Any differences in totals are due to the rounding of figures.***

**STATEMENTS OF COMPREHENSIVE INCOME**

	Note	The Group		The Company	
		01.01.15- 31.03.15	01.01.14- 31.03.14	01.01.15- 31.03.15	01.01.14- 31.03.14
Revenue	4	27.195	29.218	23.740	26.649
Cost of sales		(25.703)	(32.314)	(22.486)	(29.101)
<b>Gross profit / (losses)</b>		<b>1.492</b>	<b>(3.096)</b>	<b>1.254</b>	<b>(2.452)</b>
Other operating income		143	159	382	398
Administrative expenses		(2.206)	(2.171)	(2.035)	(1.971)
Selling and marketing expenses		(2.729)	(3.085)	(2.420)	(2.774)
Other operating expenses		(594)	(544)	(567)	(527)
<b>Earnings / (losses) before taxes, financing and investing results (EBIT)</b>		<b>(3.894)</b>	<b>(8.737)</b>	<b>(3.386)</b>	<b>(7.326)</b>
Financial expenses		(5.073)	(4.110)	(5.025)	(4.063)
Financial income		14	75	1	59
Results from investing activities		(2)	8	(2)	8
Profit from associates		15	39	-	-
<b>Earnings / (losses) before taxes</b>		<b>(8.940)</b>	<b>(12.725)</b>	<b>(8.412)</b>	<b>(11.322)</b>
Income tax	10	(35)	(17)	(32)	(26)
<b>Earnings / (losses) after taxes</b>		<b>(8.975)</b>	<b>(12.742)</b>	<b>(8.444)</b>	<b>(11.348)</b>
<b>Attributable to:</b>					
Owners of the Parent company		(8.868)	(12.422)	-	-
Minority interests		(107)	(320)	-	-
Other comprehensive income after taxes		-	-	-	-
<b>Total comprehensive income after taxes for the period</b>		<b>(8.975)</b>	<b>(12.742)</b>	<b>(8.444)</b>	<b>(11.348)</b>
<b>Attributable to:</b>					
Owners of the Parent company		(8.868)	(12.422)	-	-
Minority interests		(107)	(320)	-	-
Earnings / (losses) per share - basic (in €)	9	(0,0470)	(0,0658)	(0,0448)	(0,0602)
Earnings / (losses) before taxes, financial, investing results and depreciation (EBITDA)		(1.180)	(6.207)	(830)	(4.962)

The additional notes are an integral part of the above interim financial statements.

## STATEMENTS OF FINANCIAL POSITION

	Note	The Group		The Company	
		31.03.15	31.12.14	31.03.15	31.12.14
<b>ASSETS</b>					
Tangible fixed assets	5	290.201	292.429	279.565	282.067
Investments in property		1.827	1.828	703	705
Intangible assets		29	33	29	33
Investments in subsidiaries		-	-	2.475	2.475
Investments in associates		1.895	1.880	46	46
Other long-term receivables		74	77	50	53
Deferred tax assets		213	213	-	-
<b>Total non-current assets</b>		<b>294.239</b>	<b>296.460</b>	<b>282.868</b>	<b>285.379</b>
Inventories		3.093	3.129	2.026	2.138
Trade receivables		45.823	45.381	40.865	40.965
Other current receivables		12.779	10.415	12.373	9.243
Financial assets at fair value through profit & loss		736	737	698	699
Cash and cash equivalents	6	2.407	3.564	759	1.250
Non-current assets held for sale		2.180	2.180	-	-
<b>Total current assets</b>		<b>67.018</b>	<b>65.406</b>	<b>56.721</b>	<b>54.295</b>
<b>TOTAL ASSETS</b>		<b>361.257</b>	<b>361.866</b>	<b>339.589</b>	<b>339.674</b>
<b>EQUITY AND LIABILITIES</b>					
Share capital (188.654.892 shares x € 0,30)		56.597	56.597	56.597	56.597
Share premium account		745	745	745	745
Reserves		7.398	7.398	5.976	5.976
Results carried forward		(87.407)	(78.539)	(87.609)	(79.165)
<b>Total company shareholders' equity</b>		<b>(22.667)</b>	<b>(13.799)</b>	<b>(24.291)</b>	<b>(15.847)</b>
Minority interest		4.451	4.558	-	-
<b>Total equity</b>		<b>(18.216)</b>	<b>(9.241)</b>	<b>(24.291)</b>	<b>(15.847)</b>
Long-term bank borrowings	7	4.198	4.303	4.198	4.303
Deferred tax liabilities		1.182	1.189	325	326
Employee retirement benefit liabilities		2.846	2.894	2.729	2.777
Other provisions		2.006	2.006	1.536	1.536
Subsidies		1.019	1.070	-	-
Capital lease liabilities		25.429	25.501	25.429	25.501
Other long term liabilities	8	10.125	5.560	8.208	3.560
<b>Total non-current liabilities</b>		<b>46.805</b>	<b>42.523</b>	<b>42.425</b>	<b>38.003</b>
Short-term bank borrowings	7	272.615	274.215	272.123	273.729
Trade payables		33.204	29.443	27.709	24.152
Other short term liabilities		26.849	24.926	21.623	19.637
<b>Total current liabilities</b>		<b>332.668</b>	<b>328.584</b>	<b>321.455</b>	<b>317.518</b>
<b>Total liabilities</b>		<b>379.473</b>	<b>371.107</b>	<b>363.880</b>	<b>355.521</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>361.257</b>	<b>361.866</b>	<b>339.589</b>	<b>339.674</b>

The additional notes are an integral part of the above annual financial statements.

**STATEMENTS OF CHANGES IN EQUITY**

The Group	Share Capital	Share premium	Asset re-valuation reserves	Other reserves	Retained earnings	Total	Minority interests	Total
<b>Balance 01.01.2014</b>	<b>56.597</b>	<b>745</b>	<b>2.117</b>	<b>153.974</b>	<b>(209.377)</b>	<b>4.056</b>	<b>6.114</b>	<b>10.170</b>
Total comprehensive income for the 1 <sup>st</sup> quarter of 2014					(12.422)	(12.422)	(320)	(12.742)
<b>Net Equity at 31.03.2014</b>	<b>56.597</b>	<b>745</b>	<b>2.117</b>	<b>153.974</b>	<b>(221.799)</b>	<b>(8.366)</b>	<b>5.794</b>	<b>(2.572)</b>
<b>Balance 01.01.2015</b>	<b>56.597</b>	<b>745</b>	<b>2.117</b>	<b>5.281</b>	<b>(78.539)</b>	<b>(13.799)</b>	<b>4.558</b>	<b>(9.241)</b>
Total comprehensive income for the 1 <sup>st</sup> quarter of 2015					(8.868)	(8.868)	(107)	(8.975)
<b>Net Equity at 31.03.2015</b>	<b>56.597</b>	<b>745</b>	<b>2.117</b>	<b>5.281</b>	<b>(87.407)</b>	<b>(22.667)</b>	<b>4.451</b>	<b>(18.216)</b>

The Company	Share Capital	Share premium	Asset re-valuation reserves	Other reserves	Retained earnings	Total
<b>Balance 01.01.2014</b>	<b>56.597</b>	<b>745</b>	<b>957</b>	<b>153.898</b>	<b>(211.416)</b>	<b>781</b>
Total comprehensive income for the 1 <sup>st</sup> quarter of 2014					(11.348)	(11.348)
<b>Net Equity at 31.03.2014</b>	<b>56.597</b>	<b>745</b>	<b>957</b>	<b>153.898</b>	<b>(222.764)</b>	<b>(10.567)</b>
<b>Balance 01.01.2015</b>	<b>56.597</b>	<b>745</b>	<b>957</b>	<b>5.019</b>	<b>(79.165)</b>	<b>(15.847)</b>
Total comprehensive income for the 1 <sup>st</sup> quarter of 2015					(8.444)	(8.444)
<b>Net Equity at 31.03.2015</b>	<b>56.597</b>	<b>745</b>	<b>957</b>	<b>5.019</b>	<b>(87.609)</b>	<b>(24.291)</b>

The additional notes are an integral part of the above interim financial statements.

## STATEMENTS OF CASH FLOW

	The Group		The Company	
	01.01.15- 31.03.15	01.01.14- 31.03.14	01.01.15- 31.03.15	01.01.14- 31.03.14
<b><u>Operating activities</u></b>				
Earnings/(losses) before taxes	(8.940)	(12.725)	(8.412)	(11.322)
<i>Adjustments for:</i>				
Depreciation	2.765	2.583	2.556	2.364
Grants amortization	(51)	(53)	-	-
Profit / (loss) from sale of non-current assets	-	-	-	-
Provisions	(30)	135	(48)	133
Results of investing activities	(13)	(47)	2	(8)
Foreign exchange differences	905	(18)	886	(18)
Financial expenses (less financial income)	4.154	4.054	4.138	4.023
	<b>(1.210)</b>	<b>(6.071)</b>	<b>(878)</b>	<b>(4.828)</b>
<i>Adjustments for changes in working capital accounts or related to operating activities:</i>				
Reduction / (increase) of inventories	18	352	111	572
Reduction / (increase) of receivables	(2.810)	(2.229)	(3.026)	(1.538)
Increase/(reduction) of payable accounts (excl. loan liabilities)	10.150	12.529	10.118	9.281
<i>Less:</i>				
Interest and related expenses paid	(328)	(681)	(299)	(631)
Income tax paid	(78)	(27)	(77)	(26)
<b>Total cash flows generated from operating activities (a)</b>	<b>5.742</b>	<b>3.873</b>	<b>5.949</b>	<b>2.830</b>
<b><u>Investing activities</u></b>				
Acquisition of affiliates, securities and other investments	(1)	-	-	-
Proceeds from disposal of securities and other investments	-	-	-	-
Purchase of tangible and intangible assets	(531)	(288)	(49)	(211)
Proceeds from the sale of property, plant & equipment	-	-	-	-
Interest received	21	15	-	1
<b>Cash flows from investing activities (b)</b>	<b>(511)</b>	<b>(273)</b>	<b>(49)</b>	<b>(210)</b>
<b><u>Financing activities</u></b>				
Proceeds from borrowings	-	-	-	-
Payment of borrowings	(6.244)	(2.350)	(6.249)	(1.933)
Dividends paid	(2)	(2)	-	-
Payments for capital leases	(142)	-	(142)	-
<b>Cash flows from financing activities (c)</b>	<b>(6.388)</b>	<b>(2.352)</b>	<b>(6.391)</b>	<b>(1.933)</b>
<b>Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)</b>	<b>(1.157)</b>	<b>1.248</b>	<b>(491)</b>	<b>687</b>
Cash and cash equivalents at the beginning of the period	3.564	3.733	1.250	1.831
<b>Cash and cash equivalents at the end of the period</b>	<b>2.407</b>	<b>4.981</b>	<b>759</b>	<b>2.518</b>

The additional notes are an integral part of the above interim financial statements.

**INFORMATION AND EXPLANATORY NOTES ON THE INTERIM  
FINANCIAL STATEMENTS OF THE PERIOD 01.01.2015 – 31.03.2015**

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## 1. General information for the Company and the Group

The Company was established in 1967 (Government Gazette 201/10.04.67) under the corporate name “ANONIMI NAFTILIAKH ETAIREIA KRITIS S.A.” trading as “ANEK LINES” (hereinafter “ANEK” or the “Company”, or the “Parent company”) and is operating in the passenger ferry shipping sector. The Company’s seat is located in the municipality of Chania – Crete, and its registered offices are located on 148 Karamanli Ave. ANEK is recorded in General Company Register with number 121557860000 and its website address is [www.anek.gr](http://www.anek.gr). The Company’s shares have been listed on the Athens Stock Exchange.

In addition to the Parent company, the Group includes the following subsidiaries and associates with the following participation percentages:

Name	Group percentage	Registered office	Activity
LANE S.A.	50,11%	Chania	Passenger shipping
ETANAP S.A.	47,96%	Stilos, Chania	Production and sale of bottled water
LEFKA ORI S.A.	60,45%*	Stilos, Chania	Production and trade of plastic bottles and packaging products
ANEK HOLDINGS S.A.	99,48%**	Chania	Tourism - participation in other companies - consulting, etc.
AIGAION PELAGOS THALASSIES GRAMMES SHIPPING COMPANY	100%	Chania	Sailing company under Law 959/79
ANEK LINES ITALIA S.r.l.	49%	Ancona, Italy	Factoring and representation of shipping companies

\* direct participation: 24% and indirect via ETANAP: 36,45%

\*\* direct participation: 99% and indirect via ETANAP: 0,48%

The aforementioned companies, in which ANEK participates by more than 50%, as well as “ETANAP” in which the Parent company has the control, have been included in the consolidated financial statements as at 31<sup>st</sup> December 2014 using the full consolidation method. “ANEK LINES ITALIA S.r.l.” in which the Parent Company participates by 49% was consolidated using the equity method. “ANEK HOLDINGS SA” participates by 100% in “ANEK ENERGY LTD”, which has not commenced its activities as of today.

The number of personnel employed as at 31<sup>st</sup> March 2015 was 731 for the Company (out of which 540 were employed as vessels’ crew) and 825 for the Group (out of which 595 were employed as vessels’ crew). Respectively, at the end of the comparative period of 2014 the Company had a number of 715 and the Group 803.

**The interim financial statements as of 31<sup>st</sup> March, 2015 were approved by the BoD of the Parent Company at the meeting of 27<sup>th</sup> May, 2015.**

## 2. Preparation basis of the financial statements and accounting principles

The interim separate and consolidated financial statements as of 31<sup>st</sup> March, 2015 (hereinafter the “financial statements”) have been prepared according to the International Financial Reporting Standards (hereinafter “IFRS”), as issued by the International Accounting Standards Board (IASB) and adopted by the European Union, and more specifically to the IAS 34 “Interim financial reporting”. Therefore, they do not include all the information required for the annual financial statements and should be read in conjunction with the published statements as of 31 December 2014 which have been posted on the Company’s website at [www.anek.gr](http://www.anek.gr).

The basic accounting principles adopted in the preparation of the interim financial statements are the same as those followed in the preparation of the annual financial statements as of 31.12.2014, except for the new standards and interpretations which are applicable after January 1<sup>st</sup> 2015. The preparation of financial statements according to IFRS requires that the management makes estimates, assumptions and assessments, that affect the assets and liabilities, the disclosures of contingent receivables and liabilities as of the date of the financial statements, as well as the published amounts of income and expenses. The actual results may differ from these estimates.

### ► Ability to smoothly continue performing activities (going concern)

As described in Note 7, the total of long-term bank borrowings of the Parent on 31.12.2012 in the statement of financial position was transferred to current ones, according to paragraph 74 of IAS 1, as terms and conditions of the loan agreements were not met, in terms of loans’ servicing. As a result of this reclassification, total current liabilities of the Company as at 31.03.2015 amounted to € 321,5 million, while total current assets amounted to € 56,7 million.

The management of the Group has taken measures to deal with liquidity problems by taking a series of actions such as:

- Contacts with creditor banks in order to agree the restructure in repayment terms of the entire loans, the positive outcome of which will enhance liquidity of the Company due to displacement of payment installments at a later time, extension of the repayment period and, possible, reduction in the financial cost. The discussions are in an advanced step and is expected that soon there will be an agreement for loans’ restructuring. It is noted that in year 2014 the vessels “SOPHOCLES V.” and “LEFKA ORI” were sold for a total amount of euro 21 million that decreased the Company’s long-term debt.
- Actions for sales of vessels which will have direct positive impact on liquidity.
- The management of the Group expects a positive outcome on the arbitration proceedings that has commenced in arbitration court in London against the company "MINOAN LINES" for the forfeiture deposit amounted to € 47,5 million to acquire 33.35% of "HELLENIC SEAWAYS".
- After the successful opening of the joint venture in 2011 with ATTICA Group in two main routes of activity, the Group's management in May 2013 decided the renewal of the duration of the joint venture "ANEK - SU-

PERFAST» until 2017, while since September 2014 came into force the expansion of joint venture operations in Adriatic and Crete routes.

- Finally, the annual General Assembly held on June 15<sup>th</sup> 2014 decided -according BoD' s proposal- the calling of an extraordinary General Meeting with agenda's issue a share capital increase of amount and according to terms that will be decided by this Meeting. The convergence of the Extraordinary General Meeting will be decided by the Board of Directors in connection with the maturity of the discussions with the lending banks on the restructuring of long-term debt of the Company and the prevailing economic conditions.

It is noted that at operational level, due to the measures have been taken in recent years, it has been achieved significant cost savings. The reduction of operational cost continued in the first quarter of 2015 as a result, mainly, of the decreased fuel prices.

Considering the above facts, the financial statements have been prepared under the principle of going concern, as management believes that these measures will eliminate the problems of liquidity and enable the Company to continue its' uninterrupted operation. Nevertheless, the possibility of a non-successful completion of the above actions suggests the existence of uncertainty about the ability of smooth continuation of the activities of the Company.

#### ► Important accounting estimates, judgments and assumptions

The International Accounting Standards Board (IASB), as well as the Interpretation Committee, have issued a range of new IFRS and interpretations, which either are mandatory for accounting periods starting from January 1<sup>st</sup> 2015 and thereafter, or are not mandatory, as since the publishing date of the interim financial statements they have not been adopted from the European Union. The Group has adopted all the new IFRS and interpretations which are mandatory after January 1<sup>st</sup> 2015 and examines the effect in the financial statements of the potential adoption of the other IFRS and interpretations. The most significant new standards and interpretations are as follows:

#### ***(α) New revised standards and interpretations that are effective from 1<sup>st</sup> January 2015 and have no impact on Group's and Company's financial statement:***

- **Annual improvements – Cycle 2011 - 2013**

In December 2013, the IASB issued Annual Improvements to IFRSs 2011-2013 Cycle, a collection of amendments to IFRSs, in response to four issues addressed during the 2011-2013 cycle. The amendments are effective for annual periods beginning on or after 1 July 2014, although entities are permitted to apply them earlier. The issues included in this cycle are the following: IFRS 1: Meaning of effective IFRSs, IFRS 3: Scope exceptions for joint ventures; IFRS 13: Scope of paragraph 52 (portfolio exception); and IAS 40: Clarifying the interrelationship of IFRS 3

Business Combinations and IAS 40 Investment Property when classifying property as investment property or owner-occupied property. The above have been adopted by the European Union at December 2014.

- **IFRIC 21 – Levies**

In May 2013, the IASB issued IFRIC 21. IFRIC 21 provides guidance on when a company recognizes a liability for a levy imposed by the state in its Financial Statements. IFRIC 21 is an interpretation of IAS 37 “Provisions, Contingent Liabilities and Contingent Assets”. IAS 37 sets out criteria for the recognition of a liability, one of which is the present obligation resulting from a past event, known as an obligating event. This interpretation indicates that the obligating event is the activity that triggers the payment of the levy in accordance with the relevant legislation”.

***(6) New standards and interpretations that have been published but are not in force or adopted earlier by the Group and the Company:***

- **IFRS 9 – Financial instruments**

In July 2014, the IAB issued the final version of IFRS 9. This version brings together the classification and measurement, impairment and hedge accounting models and presents a new expected loss impairment model and limited amendments to classification and measurement for financial assets. The Group is not going to adopt earlier the requirements of IFRS 9.

- **IFRS 14 – Regulatory deferral accounts**

In January 2014, the IASB issued a new standard, IFRS 14. The aim of this interim Standard is to enhance the comparability of financial reporting by entities that are engaged in rate-regulated activities. Many countries have industry sectors that are subject to rate regulation, whereby governments regulate the supply and pricing of particular types of activity by private entities. The Group will examine the impact of the above on its financial statements. The above have not been adopted by the European Union.

- **IFRS 15 – Revenue from Contracts with Customers**

In May 2014, the IASB issued a new standard, IFRS 15. The Standard fully converges with the requirements for the recognition of revenue in both IFRS and US GAAP. The new standard will supersede IAS 11 “Construction Contracts”, IAS 18 “Revenue” and several revenue related interpretations. The Group will examine the impact of the above on its financial statements. The above have not been adopted by the European Union.

- **Amendment to IAS 19 – Defined Benefit Plans: Employee Contributions**

In November 2013, the IASB published narrow scope amendments to IAS 19 “Employee Benefits” entitled Defined Benefit Plans: Employee Contributions (Amendments to IAS 19). The narrow scope amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. The Group will ex-

amine the impact of the above on its financial statements, though it is not expected to have any. The above have been adopted by the European Union.

- **Amendment to IAS 27 – Equity Method in Separate Financial Statements**

In August 2014, the IASB published narrow scope amendments to IAS 27 “Equity Method in Separate Financial Statements “. Under the amendments, entities are permitted to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate Financial Statements – an option that was not effective prior to the issuance of the current amendments. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

In September 2014, the IASB published narrow scope amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”. The amendments will be applied by entities prospectively in respect of sales or contribution of assets performed in the annual periods starting on or after 01/01/2016. Earlier application is permitted, given that this fact is relatively disclosed in the financial Statements. The Group will examine the impact of the above on its financial statements. The above have not been adopted by the European Union.

- **Amendments to IAS 16 and IAS 41 – Agriculture: Bearer Plants**

In June 2014, the IASB published amendments that change the financial reporting for bearer plants. The IASB decided that bearer plants should be accounted for in the same way as property, plant and equipment in IAS 16. Consequently, the amendments include bearer plants within the scope of IAS 16, instead of IAS 41. The produce growing on bearer plants will remain within the scope of IAS 41. The amendments will not affect the Group’s financial statements. The above have not been adopted by the European Union.

- **Amendments to IAS 16 and IAS 38 – Clarification of Acceptable Methods of Depreciation and Amortization**

In May 2014, the IASB published amendments to IAS 16 and IAS 38. IAS 16 and IAS 38 both establish the principle for the basis of depreciation and amortization as being the expected pattern of consumption of the future economic benefits of an asset. The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The Group will examine the impact of the above on its financial statements. The above have not been adopted by the European Union.

- **Amendments to IFRS 11 – Accounting for Acquisitions of Interests in Joint Operations**

In May 2014, the IASB issued amendments to IFRS 11. The amendments add new guidance on how to ac-

count for the acquisition of an interest in a joint operation that constitutes a business and specify the appropriate accounting treatment for such acquisitions. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have. The above have not been adopted by the European Union.

- **Amendments to IAS 1 – Disclosures Initiative**

In December 2014, the IASB issued amendments to IAS 1. The aforementioned amendments address settling the issues pertaining to the effective presentation and disclosure requirements as well as the potential of entities to exercise judgment under the preparation of financial statements. The Group will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

- **Amendments to IFRS 10, IFRS 12 and IAS 28 – Investment Entities: Applying the Consolidated Exception**

In December 2014, the IASB published narrow scope amendments to IFRS 10, IFRS 11 and IAS 28. The aforementioned amendments introduce explanation regarding accounting requirements for investment entities, while providing exemptions in particular cases, which decrease the costs related to the implementation of the Standards. The Group will examine the impact of the above on its financial statements. The above have not been adopted by the European Union.

- **Annual improvements – Cycle 2010 - 2012**

In December 2013, the IASB issued Annual Improvements to IFRSs 2010-2012 Cycle, a collection of amendments to IFRSs, in response to eight issues addressed during the 2010-2012 cycle. The amendments are effective for annual periods beginning on or after 1 July 2014, although entities are permitted to apply them earlier. The issues included in this cycle are the following: IFRS 2: Definition of 'vesting condition', IFRS 3: Accounting for contingent consideration in a business combination, IFRS 8: Aggregation of operating segments, IFRS 8: Reconciliation of the total of the reportable segments' assets to the entity's assets, IFRS 13: Short-term receivables and payables, IAS 7: Interest paid that is capitalized, IAS 16/IAS 38: Revaluation method—proportionate restatement of accumulated depreciation and IAS 24: Key management personnel. The Group will examine the impact of the above on its consolidated financial statements. The above have been adopted by the European Union at December 2014.

- **Annual improvements – Cycle 2012 - 2014**

In September 2014, the IASB issued Annual Improvements to IFRSs 2012-2012 Cycle, a collection of amendments to IFRSs, in response to four issues addressed during the 2012-2014 cycle. The amendments are effective for annual periods beginning on or after 1 January 2016, although entities are permitted to apply them earlier. The issues included in this cycle are the following: IFRS 5: Changes in methods of disposal, IFRS 7: Servicing Contracts and Applicability of the amendments to IFRS 7 to Condensed Interim Financial Statements, IAS 19: Discount rate: regional market, and IAS 34: Disclosure of information elsewhere in the interim financial report. The Group will examine the impact of the above on its financial statements. The above have not been adopted by the European Union.

### 3. Seasonal nature of business activities

The activities of Group shipping companies are highly seasonal, and that affects the income and results of the interim financial statements. More specifically, the transportation of passengers and vehicles is particularly increased during summer months – due to tourism – and holidays, while the transportation of trucks demonstrates slight fluctuations during the year. Therefore, the lowest sales take place during the first quarter of each year and this affect negatively the financial results, while on the contrary, the highest sales are during the third quarter (from 01.07 to 30.09), where the summer period is included.

### 4. Segmental information

The main business activity of the Group is concentrated upon passenger ferry shipping activities, servicing shipping routes both domestic and abroad. The main sources of revenue come from passenger, P.U. vehicle and truck fares, as well as other on-board activities (bar, restaurants, stores and casinos). Revenue of non-shipping Group companies which participate in the consolidated turnover are included in “other activities”. The following chart presents a geographical distribution of the activities of both the Group and the Company for first quarter of 2015 and 2014:

01.01.15 - 31.03.15	Shipping segment		Other activities	Total
	Domestic	Abroad		
<b>The Group</b>				
Total Revenues	12.647	13.376	1.172	27.195
Gross operating results	6	1.049	437	1.492
Vessels' additions	-	-	-	-
Vessels' depreciation for the period	1.242	1.149	-	2.391
Net book value of vessels	133.687	138.835	-	272.522
Non-distributed assets	-	-	-	88.735
<b>Total Assets 31.03.2015</b>	-	-	-	<b>361.257</b>
<b>The Company</b>				
Total Revenues	10.364	13.376	-	23.740
Gross operating results	205	1.049	-	1.254
Vessels' additions	-	-	-	-
Vessels' depreciation for the period	1.242	1.149	-	2.391
Net book value of vessels	130.774	138.835	-	269.609
Non-distributed assets	-	-	-	69.980
<b>Total Assets 31.03.2015</b>	-	-	-	<b>339.589</b>

01.01.14 - 31.03.14	Shipping segment		Other activities	Total
	Domestic	Abroad		
<b><u>The Group</u></b>				
Total Revenues	15.510	12.613	1.095	29.218
Gross operating results	(583)	(2.882)	369	(3.096)
Vessels' additions	6	-	-	6
Vessels' depreciation for the period	1.563	749	-	2.312
Net book value of vessels	188.904	91.613	-	280.517
Non-distributed assets	-	-	-	83.525
<b>Total Assets 31.03.2014</b>	-	-	-	<b>364.042</b>

### **The Company**

Total Revenues	14.036	12.613	-	26.649
Gross operating results	430	(2.882)	-	(2.452)
Vessels' additions	6	-	-	6
Vessels' depreciation for the period	1.563	749	-	2.312
Net book value of vessels	181.920	91.613	-	273.533
Non-distributed assets	-	-	-	65.025
<b>Total Assets 31.03.2014</b>	-	-	-	<b>338.558</b>

Revenue from domestic fares includes income from state subsidies for public services routes amounting to € 1.835 thousand for the Group. In the previous corresponded period the relevant amount was € 2.053 thousand.

Additions, depreciation and net book value of vessels were allocated to geographic activities depending on the time of operation of each vessel in domestic and abroad routes. Any further allocation would be arbitrary, given the fact that the above services and sources of income and cost were resulted from commonly used items of assets and equity and cannot be broken down into segments.

### **5. Fixed assets**

The tables of tangible assets for the first quarter of 2015 and year 2014 for the Group and the Company are shown below:

The Group	Vessels	Land and buildings	Other equipment	Property in progress	Total
<b>Acquisition value 01.01.14</b>	<b>489.480</b>	<b>14.628</b>	<b>12.926</b>	<b>2.934</b>	<b>519.968</b>
Additions	26.862	487	304	233	27.886
Reductions	(63.154)	(42)	(295)	-	(63.491)
Transfers	-	2.856	189	(3.045)	-
Impairment	(1.902)	-	-	-	(1.902)
Reclassification to current assets according IFRS 5	(8.300)	-	-	-	(8.300)
<b>Acquisition value 31.12.14</b>	<b>442.986</b>	<b>17.929</b>	<b>13.124</b>	<b>122</b>	<b>474.161</b>
Additions	-	35	483	14	532
Reductions	-	-	(441)	-	(441)
Transfers	-	-	122	(122)	-
<b>Acquisition value 31.03.15</b>	<b>442.986</b>	<b>17.964</b>	<b>13.288</b>	<b>14</b>	<b>474.252</b>
<b>Accumulated depreciation 01.01.14</b>	<b>206.657</b>	<b>2.197</b>	<b>10.150</b>	<b>-</b>	<b>219.004</b>
Depreciation	9.690	823	806	-	11.319
Reductions	(42.154)	(42)	(275)	-	(42.471)
Reclassification to current assets according IFRS 5	(6.120)	-	-	-	(6.120)
<b>Accumulated depreciation 31.12.14</b>	<b>168.073</b>	<b>2.978</b>	<b>10.681</b>	<b>-</b>	<b>181.732</b>
Depreciation	2.391	168	201	-	2.760
Reductions	-	-	(441)	-	(441)
<b>Accumulated depreciation 31.03.15</b>	<b>170.464</b>	<b>3.146</b>	<b>10.441</b>	<b>-</b>	<b>184.051</b>
<b>Net book value 31.12.14</b>	<b>274.913</b>	<b>14.951</b>	<b>2.443</b>	<b>122</b>	<b>292.429</b>
<b>Net book value 31.03.15</b>	<b>272.522</b>	<b>14.818</b>	<b>2.847</b>	<b>14</b>	<b>290.201</b>

The Company	Vessels	Land and buildings	Other equipment	Property in progress	Total
<b>Acquisition value 01.01.14</b>	<b>471.184</b>	<b>9.079</b>	<b>3.124</b>	<b>2.745</b>	<b>486.132</b>
Additions	26.852	452	41	111	27.456
Reductions	(63.154)	(41)	(194)	-	(63.389)
Transfers	-	2.856	-	(2.856)	-
<b>Acquisition value 31.12.14</b>	<b>434.882</b>	<b>12.346</b>	<b>2.971</b>	<b>-</b>	<b>450.199</b>
Additions	-	35	14	-	49
Reductions	-	-	-	-	-
Transfers	-	-	-	-	-
<b>Acquisition value 31.03.15</b>	<b>434.882</b>	<b>12.381</b>	<b>2.985</b>	<b>-</b>	<b>450.248</b>
<b>Accumulated depreciation 01.01.14</b>	<b>195.345</b>	<b>1.681</b>	<b>3.008</b>	<b>-</b>	<b>200.034</b>
Depreciation	9.690	748	49	-	10.487
Reductions	(42.154)	(41)	(194)	-	(42.389)
<b>Accumulated depreciation 31.12.14</b>	<b>162.881</b>	<b>2.388</b>	<b>2.863</b>	<b>-</b>	<b>168.132</b>
Depreciation	2.391	148	12	-	2.551
Reductions	-	-	-	-	-
<b>Accumulated depreciation 31.03.15</b>	<b>165.272</b>	<b>2.536</b>	<b>2.875</b>	<b>-</b>	<b>170.683</b>
<b>Net book value 31.12.14</b>	<b>272.001</b>	<b>9.958</b>	<b>108</b>	<b>-</b>	<b>282.067</b>
<b>Net book value 31.03.15</b>	<b>269.610</b>	<b>9.845</b>	<b>110</b>	<b>-</b>	<b>279.565</b>

### Existing encumbrances on fixed assets

On the assets of the Group there are the following liens:

- a) 1<sup>st</sup> mortgages on the vessels of € 364,5 million and \$ 8,2 million,
- b) 2<sup>nd</sup> mortgages on the vessels of € 256,9 million and
- c) Pre-notations on property of € 18,7 million pledges on machinery (of the subsidiary companies ETANAP and LEFKA ORI) of € 2,5 million.

The above liens exist to secure borrowing liabilities of a total amount of € 232,5 million as at 31.03.2015.

## 6. Cash and cash equivalents

The cash and cash equivalents analysis is as follows:

	The Group		The Company	
	31.03.15	31.12.14	31.03.15	31.12.14
Cash on hand	275	257	259	237
Bank accounts	2.132	3.307	500	1.013
	<b>2.407</b>	<b>3.564</b>	<b>759</b>	<b>1.250</b>

The main part of the Group's cash and cash equivalents is in euro.

## 7. Long term bank borrowings

The total long term loans of the Group on 31.03.2015 amounted to € 4.198 thousand, while on 31.12.2014 was € 4.303 thousand. It is noted that from 31.12.2012 in the statement of Company's financial position there has been a reclassification of the total of long-term loans to short term loans according to par. 74 of IAS 1, given the fact that terms of the agreements were not met, in respect of debt servicing. According to the contracts, the lack of debt servicing is considered as fail of the Company to meet the terms and conditions undertaken, therefore the Company is obliged to repay the loans to the banks. However, Group's management has already begun contacts with the lender banks in order to modify the terms and conditions of the total of long-term debt. The discussions are in an advanced step and is expected soon to reach an agreement for the loans restructuring.

Company's syndicated loans initially amounting to a total of € 245 million were obtained in 2008, from a group of banks, on the basis of a floating interest rate (Euribor plus margin) for a period of 8 years (with the end maturity date set at 31<sup>st</sup> March 2016). Moreover, during the fiscal year 2010, a new mortgage loan, based on a floating interest rate, was obtained initially amounting to € 40 million. In 2014 was concluded the sale of the vessels «SOPHOCLES V.» and «LEFKA ORI» at a price of € 21 million en bloc reducing the Company's long term debt.

Collaterals have been provided to secure the aforementioned syndicated loans (shipping mortgages on vessels, concession of the product of an insurance compensation) to the lending banks (see note 5 "Fixed assets"). The balances of the above loans appearing in the attached balance sheets were measured at amortized cost using the

effective interest method and were not essentially different from their fair values.

#### 8. Other long term liabilities

Group's "other long term liabilities" as at 31.03.2015 amounting to € 10,1 million, include Parent Company's regulated tax obligations, as well as a subsidiary's regulated trade liabilities, the repayment of which extends beyond one year.

#### 9. Earning / (losses) per share

Basic earnings / (losses) per share are calculated by dividing the earnings corresponding to the Parent shareholders by the weighted number of shares in circulation during the period. The discounted earnings / losses per share are equal to the basics, as there is not any titles convertible to shares.

	The Group		The Company	
	01.01.15- 31.03.15	01.01.14- 31.03.14	01.01.15- 31.03.15	01.01.14- 31.03.14
Earnings / (losses) after taxes corresponding to Parent shareholders	(8.868)	(12.422)	(8.444)	(11.348)
Weighted number of shares	188.654.892	188.654.892	188.654.892	188.654.892
Earnings / (losses) after taxes per share - basic (expressed in €)	(0,0470)	(0,0658)	(0,0448)	(0,0602)

#### 10. Income tax

The Company and the subsidiaries operating in shipping sector are not subject to income tax for the profits arising from this business activity. As income tax is considered the tax in regard to Law 27/1975 (tax applied to the shipping tons of the total tonnage of the vessel), thus the results of the first quarter of 2015 of the Group were charged by taxes € 33 thousand. Moreover, the income tax for the Group's non-shipping companies amounted to € 9 thousand, while an amount of € 7 thousand referred to deferred taxes (revenue). The fiscal years of the parent company and subsidiaries not subject to tax audit, are presented in the following table:

Company	Unaudited years
ANEK S.A.	2008 – 2014
LANE S.A.	2002 – 2014
ETANAP S.A.	2009 – 2014
LEFKA ORI S.A.	2010 – 2014
ANEK HOLDINGS S.A.	2008 – 2014
AIGAION PELAGOS S.C.	2011 – 2014

It is noted that from year 2011 and on the Group companies came under the tax audit of the certified audi-

tors in regard to article 82 of law 2238/94 and to article 65<sup>a</sup> of law 4174/13. The audit of the fiscal years 2011 - 2013 did not reveal differences and the auditors' reports issued unqualified. According the legislation, these fiscal years are considered tax finalized eighteen months after the issuance of tax compliance report and provided that no tax violations identified by the tax authorities. The tax audit of 2014 is in progress and the relevant tax certificates are going to be provided after publishing the interim financial statements. However, no significant tax differences are expected to arise. For the other unaudited tax years, Group companies have formed provisions for extra taxes that might arise after the auditing. Accumulated provisions amounted to € 25 thousand for the Company and € 192 thousand for the Group.

### 11. Balances and transactions with related parties

Balances (receivables / liabilities) with associated parties, as defined by IAS 24, as at 31<sup>st</sup> March 2015 and 31<sup>st</sup> December 2014 are as follows:

	The Group		The Company	
	31.03.15	31.12.14	31.03.15	31.12.14
<b>Receivables from:</b>				
- subsidiaries	-	-	2.128	1.165
- affiliates	5	5	-	-
- other related parties	14.333	8.258	14.333	8.258
- executives & BoD members	-	-	-	-
	<b>14.338</b>	<b>8.263</b>	<b>16.461</b>	<b>9.423</b>
<b>Liabilities to:</b>				
- subsidiaries	-	-	880	1.011
- affiliates	1.403	1.554	1.276	1.427
- other related parties	3	2	-	-
- executives & BoD members	277	257	169	132
	<b>1.683</b>	<b>1.813</b>	<b>2.325</b>	<b>2.570</b>

The purchases and the sales with associated parties are as follows:

	The Group		The Company	
	01.01.15- 31.03.15	01.01.14- 31.03.14	01.01.15- 31.03.15	01.01.14- 31.03.14
<b>Purchases of goods &amp; services from:</b>				
- subsidiaries	-	-	21	33
- affiliates	61	307	61	307
- other related parties	-	-	-	-
	<b>61</b>	<b>307</b>	<b>82</b>	<b>340</b>
<b>Sales of services to:</b>				
- subsidiaries	-	-	706	2.041
- other related parties	-	-	-	-
	-	-	<b>706</b>	<b>2.041</b>

### Key management compensation

The gross fees paid to Company executives and BoD members for the first quarter of 2015 and 2014 refer to short-term benefits and are analyzed as follows:

	The Group		The Company	
	01.01.15- 31.03.15	01.01.14- 31.03.14	01.01.15- 31.03.15	01.01.14- 31.03.14
Executive members of the BoD	174	167	101	100
Non-Executive Members of the BoD	4	2	2	2
Management executives	187	174	187	174
	<b>365</b>	<b>343</b>	<b>290</b>	<b>276</b>

## 12. Commitments

**Operating leases:** Group companies have signed operating lease agreements mainly regarding lease of buildings and chartering that are going to be terminated on various dates within the next five years. The minimum future payable lease for building and chartering of vessels based on the operating leases agreements on March 31<sup>st</sup> 2015 are as follows:

Within next year	5.653
From the 2 <sup>nd</sup> to the 5 <sup>th</sup> year	651

**Capital leases:** The Parent Company has signed lease agreements for two vessels and the future lease payments according the relevant contracts as at 31.03.2015 are as follows:

Within next year	1.757
From the 2 <sup>nd</sup> to the 5 <sup>th</sup> year	10.835
After 5 <sup>th</sup> year	12.438
<b>Total</b>	<b>25.030</b>

It is noted that in April 2015 the long term charter of a vessel was terminated (see note 14) and as a result, in the financial position statement the relevant capital lease liability will be offset with the vessel's book value.

**Capital commitments:** There were no capital commitments for the Company or the Group as at 31<sup>st</sup> March 2015.

**Other commitments:** There are certain commitments for the Group which are subject to state subsidized investment plans, as well as liabilities arising from agreements entered into for the servicing of public services routes (letters of guarantee, etc.).

## 13. Contingent liabilities / receivables - litigious disputes or disputes in arbitration

**Litigations:** There are no disputes in litigation or arbitration, or other liabilities burdening the Group, which could significantly affect its financial condition. The relevant provisions that have been formed amounting to € 354 thousand.

**Contingent liabilities / receivables:** The Group's contingent liabilities as at 31.03.2015 arising from its normal activity pertain to guarantees granted to secure liabilities and performance bonds amounting € 6.813 thousand. Respectively, the Group has received guarantees for receivables amounting to € 21.668 thousand.

**“NORMAN ATLANTIC” case:** Regarding the progress of the case of the incident of fire in the chartered by the Company vessel “NORMAN ATLANTIC” in December 2014 (see note 29 of the Annual financial report for the year 2014), it is noted that the investigation of the causes are in progress by the Italian judicial authorities of Bari where the vessel is located. The compensation payment process to the beneficiaries of the incident is in progress. The Company was into insurance charterer coverage (Protection & Indemnity) and legal protection (FD&D) with mutual insurance company which will cover all the relevant claims may arise.

#### 14. Post balance events

On April 8, 2015 was signed an agreement for the termination of the long term charter contract of the vessel “LEFKA ORI” which was returned to the owner company. This contract had been recognized as a finance lease agreement since the criteria of IAS 17 were met (see note 22 of the Annual financial report for the year 2014). The vessel was chartered by the owner to a new charterer, while the Company retains the option to charter and buy the vessel, as defined in the initial agreement with the owner, in case of non-exercise option right by the new charterer.

In May, 2015 was concluded the sale of a subsidiary’s LANE vessel that was appeared as “non-current assets held for sale” and was valued in 2014 at the contract sale value.

There are no other facts subsequent to 31<sup>st</sup> March 2015 which could substantially affect the financial standing and the results of the Group and the Company, or that should be mentioned in the notes on the financial statements.

**Chania, 27 May 2015**

**Senior Vice-Chairman**

**Managing Director**

**Spyridon I. Protopapadakis**  
ID Card No. AA490648

**Ioannis I. Vardinoyannis**  
ID Card No. Π 966572

**Chief Financial Officer**

**Chief Accountant**

**Stylios I. Stamos**  
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**Ioannis E. Spanoudakis**  
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