



MINOAN LINES SHIPPING S.A.

**condensed interim Company stand-alone and
consolidated financial statements
for the period ended September 30th 2012 (1/1 – 30/9/2012)**

**In accordance with IAS 34
(Interim Financial Statements)**

Shipping Societe Anonyme
Company's Number in the S.As. Register 11314/06/B/86/13
17, 25th August Str. – 71 202 Heraklion – Crete

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Review on the financial results

Financial Results

During the first nine months of 2012, the Greek economy continued building on the recessionary cycle without showing any signs of recovery. The escalation of the credit crisis in combination with the stationary development of the recapitalization of the banking system, have caused the negative review of the predictions related to the financial results and the reduction of Greece's public deficit.

The vast unemployment rise in Greece (24.4% in June) in combination with the newly imposed austerity measures, intensified the recession which recorded values of -7.2% for the third three month period of 2012. (Source: EUROSTAT)

Due to the unforeseen economic environment and the stabilization of fuel prices at extremely high levels, the financial results of the shipping industry were hardly hit. Despite the fact that the third quarter of the year is traditionally the most prosperous regarding the revenue of the ferry shipping sector; the limited cash liquidity in the market has been a dampening factor.

Despite the economic downturns and the stressed economic environment the Company succeeded in retaining its healthy position and status by taking a series of cost cutting reforms. In 2012, Minoan Lines took a number of very important decisions which are expected to yield significant benefits. Specifically, after the withdrawal of the Company's vessels from the Patras–Igoumenitsa–Venice route from 1/4/2012, the Company proceeded in July with the chartering of the vessels HSF Europa Palace and HSF Olympia Palace to the Italian firm Compagnia Italiana di Navigazione (C.I.N). The up to date results seem positive while the strengthening of the cash position and the improvement of the net results of the forthcoming periods, are expected.

All the aforementioned have not only helped Minoan Lines face the difficulties arising from the financial crisis, but also enabled the Company being current on its bond loan agreement obligations.

On a consolidated basis the revenue for the 9-month period of 2012 stood at € 121.33 million while the operating result (EBITDA) was shaped at € -1.73 million. The net results stood at € -19.94 million.

Traffic volumes

In the Ancona route, Minoan Lines, having as a guiding principle the achievement of the most efficient economic operation of its fleet, succeeded in retaining high market shares in all traffic categories. Specifically, during the first nine months of 2012 the Company accomplished 45.4% of total trips while was preferred by 46.9% of the passengers, 46.1% of private vehicles and 53.2% of trucks.

Moreover, during the same financial period, Minoan Lines carried 269,000 passengers, 68,000 private cars and 51,000 freight units.

On the route “Heraklion–Piraeus”, Minoan Lines retained its leading position during the 9-month period of 2012 while it improved significantly its market share in all three categories of passengers, private cars and trucks.

The market shares on the specific route reached 65.3% for passengers, 61.2% for private cars and 44.8% for freight units. Moreover, the Company carried 565,000 passengers, 69,000 private cars and 36,000 freight units.

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

	Note	<u>The Group</u>				<u>The Company</u>			
		<u>1/1-30/9/2012</u>	<u>1/7-30/9/2012</u>	<u>1/1-30/9/2011</u>	<u>1/7-30/9/2011</u>	<u>1/1-30/9/2012</u>	<u>1/7-30/9/2012</u>	<u>1/1-30/9/2011</u>	<u>1/7-30/9/2011</u>
Revenue	5	121,329,946.03	53,825,351.11	157,486,747.73	78,160,092.56	119,600,580.45	52,146,474.92	157,412,841.25	78,135,326.89
Cost of sales		-120,358,858.27	-45,586,179.26	-151,780,285.38	-64,427,659.90	-119,349,052.27	-44,576,373.26	-151,780,285.38	-64,427,659.90
Gross Profit		971,087.76	8,239,171.85	5,706,462.35	13,732,432.66	251,528.18	7,570,101.66	5,632,555.87	13,707,666.99
Other operating income		659,298.15	349,975.58	227,400.62	64,805.40	750,905.98	440,702.99	228,721.25	64,345.61
Selling expenses		-9,034,739.47	-3,713,040.82	-13,880,583.27	-6,489,738.48	-9,034,739.47	-3,713,040.82	-13,880,583.27	-6,489,738.48
Administrative expenses		-4,789,442.31	-1,488,735.27	-5,501,791.46	-1,683,405.83	-4,646,785.32	-1,406,921.56	-5,455,434.02	-1,688,034.47
Other operating expenses		-111,533.86	-62,764.53	-30,109.39	-1,560.19	-109,637.07	-61,457.61	-29,493.47	-1,534.14
Operating losses before financing costs		-12,305,329.73	3,324,606.81	-13,478,621.15	5,622,533.56	-12,788,727.70	2,829,384.66	-13,504,233.64	5,592,705.51
Financial income		62,773.89	21,524.03	99,956.75	-6,092.89	57,435.76	16,716.57	99,283.72	-6,131.25
Financial expenses		-7,698,574.15	-2,282,838.53	-8,873,722.46	-3,056,622.78	-7,698,570.95	-2,282,838.53	-8,873,619.96	-3,056,706.28
Net financial results		-7,635,800.26	-2,261,314.50	-8,773,765.71	-3,062,715.67	-7,641,135.19	-2,266,121.96	-8,774,336.24	-3,062,837.53
Losses before tax		-19,941,129.99	1,063,292.31	-22,252,386.86	2,559,817.89	-20,429,862.89	563,262.70	-22,278,569.88	2,529,867.98
Income tax expense	6	-3,497.26	-1,662.13	83,638.74	-13,179.87	-	-	-	-
Losses after tax		-19,944,627.25	1,061,630.18	-22,168,748.12	2,546,638.02	-20,429,862.89	563,262.70	-22,278,569.88	2,529,867.98
Total comprehensive losses of the period after Tax		-19,944,627.25	1,061,630.18	-22,168,748.12	2,546,638.02	-20,429,862.89	563,262.70	-22,278,569.88	2,529,867.98
<u>The losses of the period are attributable to :</u>									
Owners of the parent company		-19,944,627.25	1,061,630.18	-22,168,748.12	2,545,753.46	-20,429,862.89	563,262.70	-22,278,569.88	2,529,867.98
Non-controlling Interests		-	-	-	884.56	-	-	-	-
Losses of the period		-19,944,627.25	1,061,630.18	-22,168,748.12	2,546,638.02	-20,429,862.89	563,262.70	-22,278,569.88	2,529,867.98
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Owners of the parent company		-19,944,627.25	1,061,630.18	-22,168,748.12	2,545,753.46	-20,429,862.89	563,262.70	-22,278,569.88	2,529,867.98
Non-controlling interests		-	-	-	884.56	-	-	-	-
Total comprehensive losses of the period after Tax		-19,944,627.25	1,061,630.18	-22,168,748.12	2,546,638.02	-20,429,862.89	563,262.70	-22,278,569.88	2,529,867.98
Basic and Diluted Losses per Share after Tax	7	-0.2812	0.0150	-0.3126	0.0359	-0.2880	0.0079	-0.3141	0.0357

The accompanying notes on pages 8 – 19 are an integral part of the Interim Condensed Financial Statements.

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	<u>The Group</u>		<u>The Company</u>	
		<u>30/9/2012</u>	<u>31/12/2011</u>	<u>30/9/2012</u>	<u>31/12/2011</u>
<u>Assets</u>					
Non – current assets					
Property, plant and equipment	8	410,295,760.03	417,069,399.47	244,171,357.70	417,069,399.47
Investment property	9	1,391,142.93	1,422,042.97	1,391,142.93	1,422,042.97
Intangible assets	8	370,410.78	399,932.22	370,410.78	399,932.22
Investments in subsidiaries	10	-	-	170,547,686.88	3,323,208.19
Other investments	11	77,500,000.00	77,500,000.00	77,500,000.00	77,500,000.00
Other long term assets		39,030.23	38,170.23	39,030.23	38,170.23
Total non – current assets		489,596,343.97	496,429,544.89	494,019,628.52	499,752,753.08
Current assets					
Inventories		6,123,570.49	9,934,785.50	6,123,570.49	9,934,785.50
Trade and other receivables		57,048,227.23	56,878,006.65	56,998,979.13	56,877,237.26
Available for sale securities		72,545.30	72,545.30	72,545.30	72,545.30
Other current assets		4,265,174.63	4,907,240.31	4,265,174.63	4,907,240.31
Cash and cash equivalents	12	2,105,455.51	20,495,228.11	1,632,587.27	20,260,241.52
Non - current assets held for sale	13	4,556,679.05	4,556,679.05	-	-
Total current assets		74,171,652.21	96,844,484.92	69,092,856.82	92,052,049.89
Total Assets		563,767,996.18	593,274,029.81	563,112,485.34	591,804,802.97
<u>Equity and liabilities</u>					
Equity					
Share capital		159,583,500.00	159,583,500.00	159,583,500.00	159,583,500.00
Share premium		26,942,576.38	26,942,576.38	26,942,576.38	26,942,576.38
Other reserves		59,918,445.73	59,918,445.73	59,916,795.73	59,916,795.73
Retained earnings		-38,735,481.44	-18,790,854.19	-40,280,424.11	-19,850,561.22
Total Equity attributable to equity holders of the parent company		207,709,040.67	227,653,667.92	206,162,448.00	226,592,310.89
Non-controlling interests		-	-	-	-
Total Equity		207,709,040.67	227,653,667.92	206,162,448.00	226,592,310.89
Non – current liabilities					
Loans	14	237,365,250.85	242,795,584.61	237,365,250.85	242,795,584.61
Deferred tax liabilities		374,521.99	374,521.99	-	-
Retirement benefit obligations		1,958,009.95	2,060,764.66	1,958,009.95	2,060,764.66
Deferred government grants		4,078,219.85	4,223,265.54	4,078,219.85	4,223,265.54
Total Non – current liabilities		243,776,002.64	249,454,136.80	243,401,480.65	249,079,614.81
Current liabilities					
Bank overdrafts		16,074,677.11	27,342,343.87	16,074,677.11	27,342,343.87
Loans-current portion of long term loans	14	16,258,685.00	16,258,685.00	16,258,685.00	16,258,685.00
Trade and other payables		79,949,590.76	72,565,196.22	81,215,194.58	72,531,848.40
Total Current liabilities		112,282,952.87	116,166,225.09	113,548,556.69	116,132,877.27
Total Liabilities		356,058,955.51	365,620,361.89	356,950,037.34	365,212,492.08
Total Equity and Liabilities		563,767,996.18	593,274,029.81	563,112,485.34	591,804,802.97

The accompanying notes on pages 8 – 19 are an integral part of the Interim Condensed Financial Statements.

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

	<u>Share Capital</u>	<u>Share Premium</u>	<u>Other Reserves</u>	<u>Retained Earnings</u>	<u>Total Equity</u>
Balance as at 1/1/2011	159,583,500.00	26,942,576.38	59,916,795.73	19,516,206.10	265,959,078.21
<u>Changes in equity 1/1 – 30/9/2011</u>					
Total comprehensive income after tax for the period 1/1-30/9/2011	-	-	-	-22,278,569.88	-22,278,569.78
Balance as at 30/9/2011	159,583,500.00	26,942,576.38	59,916,795.73	-2,762,363.78	243,680,508.33
Balance as at 1/1/2012	159,583,500.00	26,942,576.38	59,916,795.73	-19,850,561.22	226,592,310.89
<u>Changes in equity 1/1 – 30/9/2012</u>					
Total comprehensive income after tax for the period 1/1-30/9/2012	-	-	-	-20,429,862.89	-20,429,862.89
Balance as at 30/9/2012	159,583,500.00	26,942,576.38	59,916,795.73	-40,280,424.11	206,162,448.00

The accompanying notes on pages 8 – 19 are an integral part of the Interim Condensed Financial Statements.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<u>Attributed to owners of the parent company</u>				<u>Total Shareholders Equity</u>	<u>Non Controlling Interest</u>	<u>Total Equity</u>
	<u>Share Capital</u>	<u>Share Premium</u>	<u>Other Reserves</u>	<u>Retained Earnings</u>			
Balance as at 1/1/2011	159,583,500.00	26,942,576.38	59,918,445.73	20,950,342.91	267,394,865.02	1,387.63	267,396,252.65
<u>Changes in equity 1/1 – 30/9/2011</u>							
Total comprehensive income after taxes for the period 1/1-30/9/2011	-	-	-	-22,168,748.12	-22,168,748.12	-	-22,168,748.12
Change due to liquidation & termination of Subsidiary companies	-	-	-	-9,288.19	-9,288.19	-2,249.43	-11,537.62
Balance as at 30/9/2011	159,583,500.00	26,942,576.38	59,918,445.73	-1,227,693.40	245,216,828.71	-861.80	245,215,966.91
Balance as at 1/1/2012	159,583,500.00	26,942,576.38	59,918,445.73	-18,790,854.19	227,653,667.92	-	227,653,667.92
<u>Changes in equity 1/1 – 30/9/2012</u>							
Total comprehensive income after taxes for the period 1/1-30/9/2012	-	-	-	-19,944,627.25	-19,944,627.25	-	-19,944,627.25
Balance as at 30/9/2012	159,583,500.00	26,942,576.38	59,918,445.73	-38,735,481.44	207,709,040.67	-	207,709,040.67

The accompanying notes on pages 8 – 19 are an integral part of the Interim Condensed Financial Statements.

CONDENSED INTERIM STATEMENT OF CASH FLOWS

	<u>The Group</u>		<u>The Company</u>	
	<u>1/1-30/9/2012</u>	<u>1/1-30/9/2011</u>	<u>1/1-30/9/2012</u>	<u>1/1-30/9/2011</u>
<u>Cash Flows from Operating Activities</u>				
(Losses) before taxes	-19,941,129.99	-22,252,386.86	-20,429,862.89	-22,278,569.88
<i>Adjustments for:</i>				
Depreciation and amortization	10,572,155.47	10,855,070.22	9,562,350.46	10,855,070.22
Provisions	156,069.21	217,452.00	156,069.21	217,452.00
Net Foreign Exchange	4,144.22	-3,205.74	4,144.22	-3,205.74
(Income) / expenses, (gains) / losses from investing activities	2,783.59	-23,576.33	-87,487.76	-12,038.74
Interest and other financial expenses	7,698,574.15	8,870,045.13	7,698,570.95	8,869,942.63
Adjustments for changes in working capital or operating activities				
Decrease / (Increase) in inventories	3,811,215.01	-585,008.64	3,811,215.01	-585,008.64
Decrease / (Increase) in trade and other receivables	469,965.95	-11,180,090.03	518,444.66	-11,094,189.73
Increase in liabilities other than borrowings	7,051,581.94	19,162,008.07	8,373,602.34	19,142,190.59
Less :				
Interest and related expenses paid	-7,550,730.89	-6,897,613.26	-7,550,727.69	-6,897,510.76
Income taxes paid	19,571.50	-1,169,348.07	-	-1,121,411.00
Net cash flow generated by / (used in) operating activities (a)	<u>2,294,200.16</u>	<u>-3,006,653.51</u>	<u>2,056,318.51</u>	<u>-2,907,279.05</u>
<u>Cash Flows from Investing activities</u>				
Purchase of property, plant and equipment	-3,893,923.83	-400,245.95	-3,893,923.83	-400,245.95
Advances from disposal of other investments	8,000.00	5,574.45	8,000.00	5,574.45
Dividends received	-	6,464.54	-	6,464.54
Net cash flow (used in) investing activities (b)	<u>-3,885,923.83</u>	<u>-388,206.96</u>	<u>-3,885,923.83</u>	<u>-388,206.96</u>
<u>Cash Flows from Financing activities</u>				
Repayment of long/short term borrowings	-16,795,621.76	-12,023,138.75	-16,795,621.76	-12,023,138.75
Dividends paid	-2,427.17	-427,177.58	-2,427.17	-427,177.58
Net cash flow used in financing activities (c)	<u>-16,798,048.93</u>	<u>-12,450,316.33</u>	<u>-16,798,048.93</u>	<u>-12,450,316.33</u>
Net (Decrease) in cash and cash equivalents(a)+(b)+(c)	<u>-18,389,772.60</u>	<u>-15,845,176.80</u>	<u>-18,627,654.25</u>	<u>-15,745,802.34</u>
Cash and cash equivalents at the beginning of the period	<u>20,495,228.11</u>	<u>22,648,789.60</u>	<u>20,260,241.52</u>	<u>22,372,498.20</u>
Cash and cash equivalents at the end of the period	<u>2,105,455.51</u>	<u>6,803,612.80</u>	<u>1,632,587.27</u>	<u>6,626,695.86</u>

The accompanying notes on pages 8 – 19 are an integral part of the Interim Condensed Financial Statements.

Notes to the condensed interim Company stand-alone and consolidated financial statements for the period ended September 30th 2012 (1/1 - 30/9/2012)

1. General Company's and Group's information

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

The number of the personnel employed for the period ended 30/9/2012 and 30/9/2011 was 390 and 552, respectively.

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

The total number of ordinary shares outstanding on 30/9/2012 was 70,926,000, while the total market capitalization reached € 143,979,780.00. Every share carries one voting right.

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 eight (8) members, who were elected by the General Shareholders' Meeting held on June 19th 2009. On September 30th 2012, three (3) members of the board were executive, three (3) were non-executive and two (2) were non-executive-independent members.

The Interim Condensed Financial Statements for the period ended 30/9/2012, which were approved by the board of directors meeting on November 28th 2012, include the Interim Condensed Company and the Consolidated Financial Statements (the “Financial Statements”).

The consolidated financial statements include the Company and its subsidiaries (the Group), as well as the interest of the Group in the associates.

The subsidiaries and associates that are included in the consolidated financial statements and the ownership interests that the parent company holds, directly or indirectly, are outlined in the table below:

<u>Name</u>	<u>Consolidation Method</u>	<u>Headquarters</u>	<u>% Interest</u>	
			<u>2012</u>	<u>2011</u>
Kritiki Filoxenia S.A.	Full	Heraklion-Crete	100%	100%
Athina A.V.E.E.	Full	Heraklion-Crete	100%	100%
Minoan Italia S.p.A.	Full	Palermo-Italy	100%	100%
Mediterranean Ferries S.r.l.*	Equity	Genova-Italy	50%	50%

* The company is in liquidation.

2. Basis of preparation of the financial statements

2.1 Statement of compliance

The Financial Statements have been prepared in accordance with International Accounting Standard 34 (I.A.S. 34 «Interim Financial Reporting»).

The 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 2011.

2.2 Use of estimates

The preparation of the Financial Statements in conformity with I.F.R.S. 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 than those applied in the Annual Financial Statements as of 31/12/2011.

3. Significant accounting policies

The significant accounting policies adopted for the preparation of the Financial Statements on 30/9/2012, are those applied for the preparation of the Annual Financial Statements on 31/12/2011 and have been published in the Company's web site www.minoan.gr.

3.1 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's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial year

IFRS 7 (Amendment) «Financial Instruments: Disclosures» – transfers of financial assets (effective for annual periods beginning on or after 1 July 2011)

This amendment sets out disclosure requirements for transferred financial assets not derecognized in their entirety as well as on transferred financial assets derecognized in their entirety but in which the reporting entity has continuing involvement. It also provides guidance on applying the disclosure requirements. The amendment will be applied in the annual financial statements.

IAS 12 (Amendment) «Income Taxes» (effective for annual periods beginning on or after 1 January 2012)

The amendment to IAS 12 provides a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model in IAS 40 «Investment Property». This amendment has not yet been endorsed by the EU, and therefore has not been applied by the Group.

Standards and Interpretations effective from periods beginning on or after 1 January 2013

IFRS 9 «Financial Instruments» (effective for annual periods beginning on or after 1 January 2015)

IFRS 9 is the first Phase of the Board's project to replace IAS 39 and deals with the classification and measurement of financial assets and financial liabilities. The IASB intends to expand IFRS 9 in subsequent phases in order to add new requirements for impairment and hedge accounting. The Group is currently investigating the impact of IFRS 9 on its financial statements. The Group cannot currently early adopt IFRS 9 as it has not been endorsed by the EU. Only once approved will the Group decide if IFRS 9 will be adopted prior to 1 January 2015.

IFRS 13 «Fair Value Measurement» (Effective for annual periods beginning on or after 1 January 2013)

IFRS 13 provides new guidance on fair value measurement and disclosure requirements. These requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. IFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. Disclosure requirements are enhanced and apply to all assets and liabilities measured at fair value, not just financial ones. This standard has not yet been endorsed by the EU.

IFRIC 20 «Stripping costs in the production phase of a surface mine» (Effective for annual periods beginning on or after 1 January 2013)

This interpretation sets out the accounting for overburden waste removal (stripping) costs in the production phase of a mine. The interpretation may require mining entities to write off existing stripping assets to opening retained earnings if the assets cannot be attributed to an identifiable component of an ore body. IFRIC 20 applies only to stripping costs that are incurred in surface mining activity during the production phase of the mine, while it does not address underground mining activity or oil and natural gas activity. This interpretation has not yet been endorsed by the EU.

IAS 1 (Amendment) «Presentation of Financial Statements» (effective for annual periods beginning on or after 1 July 2012)

The amendment requires entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future.

IAS 19 (Amendment) «Employee Benefits» (effective for annual periods beginning on or after 1 January 2013)

This amendment makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits (eliminates the corridor approach) and to the disclosures for all employee benefits. The key changes relate mainly to recognition of actuarial gains and losses, recognition of past service cost / curtailment, measurement of pension expense, disclosure requirements, treatment of expenses and taxes relating to employee benefit plans and distinction between «short-term» and «other long-term» benefits.

IFRS 7 (Amendment) «Financial Instruments: Disclosures» (effective for annual periods beginning on or after 1 January 2013)

The IASB has published this amendment to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognized financial assets and recognized financial liabilities, on the entity's financial position. This amendment has not yet been endorsed by the EU.

IAS 32 (Amendment) «Financial Instruments: Presentation» (effective for annual periods beginning on or after 1 January 2014)

This amendment to the application guidance in IAS 32 clarifies some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position. This amendment has not yet been endorsed by the EU.

Group of standards on consolidation and joint arrangements (effective for annual periods beginning on or after 1 January 2013)

The IASB has published five new standards on consolidation and joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (amendment) and IAS 28 (amendment). These standards are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted only if the entire «package» of five standards is adopted at the same time. These standards have not yet been endorsed by the EU. The Group is in the process of assessing the impact of the new standards on its consolidated financial statements. The main provisions are as follows:

IFRS 10 «Consolidated Financial Statements»

IFRS 10 replaces all of the guidance on control and consolidation in IAS 27 and SIC 12. The new standard changes the definition of control for the purpose of determining which entities should be consolidated. This definition is supported by extensive application guidance that addresses the different ways in which a reporting

entity (investor) might control another entity (investee). The revised definition of control focuses on the need to have both power (the current ability to direct the activities that significantly influence returns) and variable returns (can be positive, negative or both) before control is present. The new standard also includes guidance on participating and protective rights, as well as on agency/ principal relationships.

IFRS 11 «Joint Arrangements»

IFRS 11 provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The types of joint arrangements are reduced to two: joint operations and joint ventures. Proportional consolidation of joint ventures is no longer allowed. Equity accounting is mandatory for participants in joint ventures. Entities that participate in joint operations will follow accounting much like that for joint assets or joint operations today. The standard also provides guidance for parties that participate in joint arrangements but do not have joint control.

IFRS 12 «Disclosure of Interests in Other Entities»

IFRS 12 requires entities to disclose information, including significant judgments and assumptions, which enable users of financial statements to evaluate the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. An entity can provide any or all of the above disclosures without having to apply IFRS 12 in its entirety, or IFRS 10 or 11, or the amended IAS 27 or 28.

IFRS 10, IFRS 11 and IFRS 12 (Amendment) «Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance»

The amendment to the transition requirements in IFRSs 10, 11 and 12 clarifies the transition guidance in IFRS 10 and limits the requirements to provide comparative information for IFRS 12 disclosures only to the period that immediately precedes the first annual period of IFRS 12 application. Comparative disclosures are not required for interests in unconsolidated structured entities.

IAS 27 (Amendment) «Separate Financial Statements»

This Standard is issued concurrently with IFRS 10 and together, the two IFRSs supersede IAS 27 «*Consolidated and Separate Financial Statements*». The amended IAS 27 prescribes the accounting and disclosure requirements for investment in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. At the same time, the Board relocated to IAS 27 requirements from IAS 28 «*Investments in Associates*» and IAS 31 «*Interests in Joint Ventures*» regarding separate financial statements.

IAS 28 (Amendment) «Investments in Associates and Joint Ventures»

IAS 28 «*Investments in Associates and Joint Ventures*» replaces IAS 28 «*Investments in Associates*». The objective of this Standard is to prescribe the accounting for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures, following the issue of IFRS 11.

IFRS 10, IFRS 12 and IAS 27 (Amendment) «Investment entities» (effective for annual periods beginning on or after 1 January 2014)

The amendment to IFRS 10 defines an investment entity and introduces an exception from consolidation. Many funds and similar entities that qualify as investment entities will be exempt from consolidating most of their subsidiaries, which will be accounted for at fair value through profit or loss, although controlled. The amendments to IFRS 12 introduce disclosures that an investment entity needs to make. These amendments have not yet been endorsed by the EU.

Amendments to standards that form part of the IASB's 2011 annual improvements project

The amendments set out below describe the key changes to IFRSs following the publication in May 2012 of the results of the IASB's annual improvements project. These amendments are effective for annual periods beginning on or after 1 January 2013 and have not yet been endorsed by the EU.

IAS 1 «Presentation of financial statements»

The amendment clarifies the disclosure requirements for comparative information when an entity provides a third balance sheet either (a) as required by IAS 8 "Accounting policies, changes in accounting estimates and errors" or (b) voluntarily.

IAS 16 «Property, plant and equipment»

The amendment clarifies that spare parts and servicing equipment are classified as property, plant and equipment rather than inventory when they meet the definition of property, plant and equipment, i.e. when they are used for more than one period.

IAS 32 «Financial instruments: Presentation»

The amendment clarifies that income tax related to distributions is recognized in the income statement and income tax related to the costs of equity transactions is recognized in equity, in accordance with IAS 12.

IAS 34 «Interim financial reporting»

The amendment clarifies the disclosure requirements for segment assets and liabilities in interim financial statements, in line with the requirements of IFRS 8 «Operating segments».

4. Financial risk management

The Company's policies regarding the financial and capital risk management are those that have been expressively analyzed in the Annual Financial Statements on 31/12/2011.

5. Revenue

The revenue decrease is due to the fall of the total trips operated by the Company on the Adriatic routes in relation to 2011 and the revenue from extraordinary vessels' chartering in 2011.

6. Income tax

	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2012</u>	<u>30/9/2011</u>	<u>30/9/2012</u>	<u>30/9/2011</u>
Deferred taxes due to reduction of tax rate	-	-100,637.23	-	-
Income tax provision for the period ended	3,497.26	16,998.49	-	-
Totals	3,497.26	-83,638.74	-	-

7. Earnings per share

	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2012</u>	<u>30/9/2011</u>	<u>30/9/2012</u>	<u>30/9/2011</u>
Losses attributable to shareholders of the Parent	-19,944,627.25	-22,168,748.12	-20,429,862.89	-22,278,569.88
Weighted average number of shares outstanding	70,926,000	70,926,000	70,926,000	70,926,000
Basic and Diluted Losses per Share	-0.2812	-0.3126	-0.2880	-0.3141

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

8. Tangible and intangible assets

	<u>The Group</u>						<u>Totals</u>
	<u>Land</u>	<u>Buildings Technical works</u>	<u>Transportation equipment</u>	<u>Vessels</u>	<u>Furniture and Other Equipment</u>	<u>Computer Software</u>	
Cost at 1/1/2011	1,797,913.00	5,778,138.76	144,608.18	523,414,971.47	3,844,445.89	2,627,651.52	537,607,728.82
Acquisitions and additions 1/1-31/12/2011	-	-	-	65,764.61	286,659.76	321,639.14	674,063.51
Less / (plus) : Disposals – Transfers -Write offs 1/1-31/12/2011	-	-	-	128,947.34	974,422.26	0.03	1,103,369.63
Costs at 31/12/2011	1,797,913.00	5,778,138.76	144,608.18	523,351,788.74	3,156,683.39	2,949,290.63	537,178,422.70
Cost at 1/1/2012	1,797,913.00	5,778,138.76	144,608.18	523,351,788.74	3,156,683.39	2,949,290.63	537,178,422.70
Acquisitions and additions 1/1-30/9/2012	312,479.25	671,676.37	-	2,775,003.52	57,153.82	77,610.87	3,893,923.83
Less / (plus) : Disposals – Transfers -Write offs 1/1-30/9/2012	-	-	30,406.43	127,594.56	31,711.39	-14,790.66	174,921.72
Costs at 30/9/2012	2,110,392.25	6,449,815.13	114,201.75	525,999,197.70	3,182,125.82	3,041,692.16	540,897,424.81

Minoan Lines Shipping S.A. –condensed interim Company stand-alone and consolidated financial statements for the period 1/1 – 30/9/2012
(amounts in €)

Accumulated Depreciation at 1/1/2011	-	1,609,338.22	113,410.36	98,686,202.03	3,228,338.73	2,435,616.75	106,072,906.09
Depreciation for the period 1/1-31/12/2011	-	238,105.03	9,327.89	14,068,574.44	206,076.23	113,741.66	14,635,825.25
Less / (plus) : Disposed / Transferred assets accumulated depreciation 1/1-31/12/2011	-	-	-	98,256.86	901,383.47	-	999,640.33
Accumulated Depreciation at 31/12/2011	-	1,847,443.25	122,738.25	112,656,519.61	2,533,031.49	2,549,358.41	119,709,091.01
Accumulated Depreciation at 1/1/2012	-	1,847,443.25	122,738.25	112,656,519.61	2,533,031.49	2,549,358.41	119,709,091.01
Depreciation for the period 1/1-30/9/2012	-	178,578.78	4,095.06	10,227,366.48	168,320.13	107,940.67	10,686,301.12
Less / (plus) : Disposed / Transferred assets accumulated depreciation 1/1-30/9/2012	-	-	23,178.15	125,277.44	29,664.84	-13,982.30	164,138.13
Accumulated Depreciation at 30/9/2012	-	2,026,022.03	103,655.16	122,758,608.65	2,671,686.78	2,671,281.38	130,231,254.00
Net book value at :							
1/1/2011	1,797,913.00	4,168,800.54	31,197.82	424,728,769.44	616,107.16	192,034.77	431,534,822.73
31/12/2011	1,797,913.00	3,930,695.51	21,869.93	410,695,269.13	623,651.90	399,932.22	417,469,331.69
30/9/2012	2,110,392.25	4,423,793.10	10,546.59	403,240,589.05	510,439.04	370,410.78	410,666,170.81

The Company

	Land	Buildings Technical works	Transportation equipment	Vessels	Furniture and Other Equipment	Computer Software	Totals
Cost at 1/1/2011	1,797,913.00	5,778,138.76	144,608.18	523,414,971.47	3,844,445.89	2,627,651.49	537,607,728.79
Acquisitions and additions 1/1-31/12/2011	-	-	-	65,764.61	286,659.76	321,639.14	674,063.51
Less / (plus) : Disposals – Transfers -Write offs 1/1-31/12/2011	-	-	-	128,947.34	974,422.26	-	1,103,369.60
Costs at 31/12/2011	1,797,913.00	5,778,138.76	144,608.18	523,351,788.74	3,156,683.39	2,949,290.63	537,178,422.70
Cost at 1/1/2012	1,797,913.00	5,778,138.76	144,608.18	523,351,788.74	3,156,683.39	2,949,290.63	537,178,422.70
Acquisitions and additions 1/1-30/9/2012	312,479.25	671,676.37	-	2,786,870.34	57,153.82	77,610.87	3,905,790.65
Less / (plus) : Disposals – Transfers -Write offs 1/1-30/9/2012	-	-	30,406.43	213,859,680.44	31,711.39	-14,790.66	213,907,007.60
Costs at 30/9/2012	2,110,392.25	6,449,815.13	114,201.75	312,278,978.64	3,182,125.82	3,041,692.16	327,177,205.75
Accumulated Depreciation at 1/1/2011	-	1,609,338.22	113,410.36	98,686,202.03	3,228,338.73	2,435,616.75	106,072,906.09
Depreciation for the period 1/1-31/12/2011	-	238,105.03	9,327.89	14,068,574.44	206,076.23	113,741.66	14,635,825.25
Less / (plus) : Disposed / Transferred assets accumulated depreciation 1/1-31/12/2011	-	-	-	98,256.86	901,383.47	-	999,640.33
Accumulated Depreciation at 31/12/2011	-	1,847,443.25	122,738.25	112,656,519.61	2,533,031.49	2,549,358.41	119,709,091.01
Accumulated Depreciation at 1/1/2012	-	1,847,443.25	122,738.25	112,656,519.61	2,533,031.49	2,549,358.41	119,709,091.01
Depreciation for the period 1/1-30/9/2012	-	178,578.78	4,095.06	9,217,561.47	168,320.13	107,940.67	9,676,496.11
Less / (plus) : Disposed / Transferred assets accumulated depreciation 1/1-30/9/2012	-	-	23,178.15	46,711,289.16	29,664.84	-13,982.30	46,750,149.85
Accumulated Depreciation at 30/9/2012	-	2,026,022.03	103,655.16	75,162,791.92	2,671,686.78	2,671,281.38	82,635,437.27
Net book value at :							
1/1/2011	1,797,913.00	4,168,800.54	31,197.82	424,728,769.44	616,107.16	192,034.74	431,534,822.70
31/12/2011	1,797,913.00	3,930,695.51	21,869.93	410,695,269.13	623,651.90	399,932.22	417,469,331.69
30/9/2012	2,110,392.25	4,423,793.10	10,546.59	237,116,186.72	510,439.04	370,410.78	244,541,768.48

9. Investment property

The movement of the above caption is presented on the table below:

	The Company		Totals
	Land	Buildings	
Cost at 1/1/2011	556,842.00	1,194,801.36	1,751,643.36
Acquisition & Additions 1/1-31/12/2011	-	-	-
Costs at 31/12/2011	556,842.00	1,194,801.36	1,751,643.36
Cost at 1/1/2012	556,842.00	1,194,801.36	1,751,643.36
Acquisition & Additions 1/1-30/9/2012	-	-	-
Costs at 30/9/2012	556,842.00	1,194,801.36	1,751,643.36
Accumulated Depreciation at 1/1/2011	-	288,400.34	288,400.34
Depreciation 1/1-31/12/2011	-	41,200.05	41,200.05
Accumulated Depreciation at 31/12/2011	-	329,600.39	329,600.39
Accumulated Depreciation at 1/1/2012	-	329,600.39	329,600.39

Depreciation 1/1-30/9/2012	-	30,900.04	30,900.04
Accumulated Depreciation at 30/9/2012	-	360,500.43	360,500.43
Net Book Value at 1/1/2011	556,842.00	906,401.02	1,463,243.02
Net Book Value at 31/12/2011	556,842.00	865,200.97	1,422,042.97
Net Book Value at 30/9/2012	556,842.00	834,300.93	1,391,142.93

10. Investments in subsidiaries

Investments in subsidiaries are as follows:

Name	Participation amount	
	30/9/2012	31/12/2011
Kritiki Philoxenia S.A.	3,203,208.19	3,203,208.19
Minoan Italia S.p.A.	167,344,478.69	120,000.00
Totals	170,547,686.88	3,323,208.19

On June 25th 2012, a decision about a share capital increase of € 164.88 million was taken during the extraordinary General Assembly of the 100% subsidiary company Minoan Italia S.p.A., in which the Company, according to the decision, will participate with the contribution in kind of the vessels Olympia Palace and Europa Palace.

This decision was finally implemented on July 23rd 2012, the same day as the transfer of the ownership of the vessels to the subsidiary company was concluded, while the share capital increase was covered by the Company with the contribution in kind of the vessels Olympia Palace and Europa Palace at their December 31st 2011 book value (€ 167.23 million). A reserve premium was created by the subsidiary company to cover the difference between the amount of the capital increase and the book value of the vessels. Following the transfer, the vessels have been chartered to the company «Compagnia Italiana di Navigazione (C.I.N.)».

Furthermore, the company Athina A.V.E.E. is 100% subsidiary of the Company's subsidiary Kritiki Filoxenia S.A.

11. Other investments

Other investments concern the participation of the Company in Hellenic Seaways S.A. which measured at cost according to IAS 39 clause 54, after the Company's statement of retraction contractually foreseen in the agreement for the sale of the shares, dated May 18th 2009, of the above participation in A.N.E.K. S.A.

12. Cash and cash equivalents

	The Group		The Company	
	30/9/2012	31/12/2011	30/9/2012	31/12/2011
Cash on hand	279,288.52	181,768.88	279,288.52	181,768.88
Cash in banks and time deposits	1,826,166.99	20,313,459.23	1,353,298.75	20,078,472.64
Totals	2,105,455.51	20,495,228.11	1,632,587.27	20,260,241.52

13. Non – current assets held for sale

In the Financial Statements at 30/9/2012, non-current assets held for sale include land and buildings of a subsidiary with net book value of € 4,556,679.05, for which a decision for disposal has been taken by the Company's management. This property has been pledged to secure borrowings of the Company.

14. Long – term bank borrowings

The bond loan agreement is denominated in euro with a variable interest rate (euribor), plus a spread as defined in the particular agreement. The loan is repayable until 2019. Nevertheless, a partial or full early repayment of the loan is permitted.

The payment schedule of the bond loan agreement on the 30th of September 2012 is the following:

Within the next year	16,258,685.00
2-3 years	32,517,370.00
4-5 years	32,517,370.00
5 years or more	173,317,565.00
Totals	254,610,990.00

Concerning the security of the above mentioned bond loan agreement, tangible forms of guarantee in favor of the lender banks have been provided.

15. Operating segments

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

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 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. Finally, the turnover from chartering of vessels is included in the unallocated items.

	<u>The Group</u>			
<u>at 30/9/2012</u>	<u>Greece routes</u>	<u>Adriatic routes</u>	<u>Unallocated items</u>	<u>Totals</u>
Revenue	36,965,817.90	77,251,092.57	7,113,035.56	121,329,946.03
Gross Profit / (Loss)	293,996.12	2,820,951.19	-2,143,859.55	971,087.76
Profits / (Losses) before depreciation, taxation, financing and investment costs (E.B.I.T.D.A.)	4,130,685.96	1,037,800.90	-6,901,661.12	-1,733,174.26
Net depreciation	-4,628,485.79	-1,391,999.52	-4,551,670.16	-10,572,155.47
Losses before taxation, financing and investment costs (E.B.I.T.)	-497,799.83	-354,198.62	-11,453,331.28	-12,305,329.73
Financial income	-	-	62,773.89	62,773.89
Financial expense	-2,046,380.14	-1,041,081.83	-4,611,112.18	-7,698,574.15
Losses before tax	-2,544,179.97	-1,395,280.45	-16,001,669.57	-19,941,129.99
Income tax expense	-	-	-3,497.26	-3,497.26
Losses after tax	-2,544,179.97	-1,395,280.45	-16,005,166.83	-19,944,627.25
Total Assets	177,081,248.26	50,267.72	386,636,480.20	563,767,996.18
Total Liabilities	83,834,149.35	29,319,455.60	242,905,350.56	356,058,955.51
Capital expenditure	22,902.34	1,012.32	3,870,009.17	3,893,923.83
<u>at 30/9/2011</u>	<u>Greece routes</u>	<u>Adriatic routes</u>	<u>Unallocated items</u>	<u>Totals</u>
Revenue	39,627,396.56	106,500,178.75	11,359,172.42	157,486,747.73
Gross Profit / (Loss)	1,529,430.14	795,149.44	3,381,882.77	5,706,462.35
Profits / (Losses) before depreciation, taxation, financing and investment costs (E.B.I.T.D.A.)	4,615,798.28	-1,636,990.00	-5,602,359.21	-2,623,550.93
Net depreciation	-4,562,683.10	-3,563,763.35	-2,728,623.77	-10,855,070.22
Profits / Losses before taxation, financing and investment costs (E.B.I.T.)	53,115.18	-5,200,753.35	-8,330,982.98	-13,478,621.15
Financial income	-	-	99,956.75	99,956.75
Financial expense	-2,355,167.44	-2,110,100.14	-4,408,454.88	-8,873,722.46
Profits / (Losses) before tax	-2,302,052.26	-7,310,853.49	-12,639,481.11	-22,252,386.86
Income tax expense	-	-	83,638.74	83,638.74
Profits / (Losses) after tax	-2,302,052.26	-7,310,853.49	-12,555,842.37	-22,168,748.12

at 31/12/2011

Total Assets	181,686,611.80	167,224,478.69	244,362,939.32	593,274,029.81
Total Liabilities	85,602,833.33	87,868,256.54	192,149,272.02	365,620,361.89
Capital expenditure	4,009.65	30,972.87	536,054.57	571,037.09

The non-allocated items are closely monitored by management and are analyzed as follows:

- Total profit/loss before depreciation, tax, financing and investing costs, mainly relate to administrative and selling expenses which cannot be reasonably allocated.
- Total financial expenses refer to interest related to vessels chartered to third parties and loan expenses not related to specific vessels.
- Total assets relate to all assets other than the value of the vessels operating in the Greece and the Adriatic routes.
- Total liabilities relate to all liabilities other than loans related to the owned vessels operating on the routes of Greece and the Adriatic and obligations to the ultimate parent company related to the vessels chartered by the Company.

16. Related party transactions

During 2008, the company «GRIMALDI COMPAGNIA DI NAVIGAZIONE 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 September 30th 2012 and December 31st 2011, as well as purchases (services received) and sales (services provided) for the periods 1/1-30/9/2012 and 1/1-30/9/2011 respectively:

16.1 Group of ultimate parent company

<u>30/9/2012</u>	<u>Grimaldi</u> <u>Compagnia</u> <u>di</u> <u>Navigazione</u> <u>S.p.A.</u>	<u>Atlantica di</u> <u>Navigazione</u> <u>S.p.A.</u>	<u>Finlines</u> <u>P.I.c.</u>	<u>Grimaldi</u> <u>Tours</u>	<u>Totals</u>
Minoan Lines S.A. (due from)	-	1,218,062.34	854.60	6,477.19	1,225,394.13
Minoan Lines S.A. (payable to)	29,319,455.60	10,000,000.00	-	-	39,319,455.60

<u>31/12/2011</u>	<u>Grimaldi</u> <u>Compagnia</u> <u>di</u> <u>Navigazione</u> <u>S.p.A.</u>	<u>Atlantica di</u> <u>Navigazione</u> <u>S.p.A.</u>	<u>Finlines</u> <u>P.I.c.</u>	<u>Grimaldi</u> <u>Tours</u>	<u>Totals</u>
Minoan Lines S.A. (due from)	-	-	854.60	118.14	972.74
Minoan Lines S.A. (payable to)	17,873,229.19	10,452,569.63	-	-	28,325,798.82

1/1-30/9/2012

<u>Company</u>	<u>Grimaldi</u> <u>Compagnia di</u> <u>Navigazione</u> <u>S.p.A.</u>	<u>Atlantica di</u> <u>Navigazione</u> <u>S.p.A.</u>	<u>Totals</u>
Minoan Lines S.A.			
Chartering cost	13,396,978.30	262,187.50	13,659,165.80
Crew wages cost	1,067,915.24	4,925.94	1,072,841.18
50% on-board operating result	1,476,643.85	-	1,476,643.85
Bunkers cost	-	717,937.22	717,937.22
Other operating cost	-	1,785.52	1,785.52
Totals	15,941,537.39	986,836.18	16,928,373.57
Chartering revenue	-	4,276,350.00	4,276,350.00
Bunkers revenue	183,224.29	-	183,224.29
Other revenue	295,010.29	186,710.00	481,720.29
Totals	478,234.58	4,463,060.00	4,941,294.58

1/1-30/9/2011

<u>Company</u>	<u>Grimaldi</u> <u>Compagnia di</u> <u>Navigazione</u> <u>S.p.A.</u>	<u>Atlantica di</u> <u>Navigazione</u> <u>S.p.A.</u>	<u>Totals</u>
Minoan Lines S.A.			
Chartering cost	17,085,062.08	-	17,085,062.08
Crew wages cost	786,917.24	-	786,917.24
50% on-board operating result	2,432,472.46	153,727.14	2,586,199.60
Bunkers cost	-	417,267.05	417,267.05
Other operating cost	152,071.58	56,816.73	208,888.31
Totals	20,456,523.36	627,810.92	21,084,334.28
Chartering revenue	-	6,460,024.70	6,460,024.70
Revenue from crew coat reduction of chartered vessels	301,382.99	249,545.17	550,928.16
Other revenue	52,156.00	36,610.20	88,766.20
Totals	353,538.99	6,746,180.07	7,099,719.06

16.2 Subsidiaries

30/9/2012

<u>Company</u>	<u>Minoan</u> <u>Lines S.A.</u>	<u>Kritiki</u> <u>Filoxenia S.A.</u>	<u>Athina</u> <u>A.V.E.E.</u>	<u>Totals</u>
Minoan Lines S.A. (due from)	-	58,745.61	551.38	59,296.99
Athina A.V.E.E. (due from)	-	48,710.69	-	48,710.69
Minoan Italia S.p.A. (due from)	1,670,162.15	-	-	1,670,162.15

31/12/2011

<u>Company</u>	<u>Kritiki</u> <u>Filoxenia S.A.</u>	<u>Athina</u> <u>A.V.E.E.</u>	<u>Totals</u>
Minoan Lines S.A. (due from)	57,377.43	118.08	57,495.51
Athina A.V.E.E. (due from)	38,704.35	-	38,704.35

1/1-30/9/2012

<u>Company</u>	<u>Kritiki</u> <u>Filoxenia S.A.</u>	<u>Minoan</u> <u>Italia</u> <u>S.p.A.</u>	<u>Totals</u>
Minoan Lines S.A.			
Chartering revenue	-	144,000.00	144,000.00
Other revenue	-	52,837.85	52,837.85
Revenue from rentals and other	1,320.63	-	1,320.63
Totals	1,320.63	196,837.85	198,158.48

1/1-30/9/2011

<u>Company</u>	<u>Minoan</u> <u>Escape S.A. *</u>	<u>Kritiki</u> <u>Filoxenia S.A.</u>	<u>Minoan</u> <u>Cruises S.A. *</u>	<u>Totals</u>
Minoan Lines S.A.				
Revenue from rentals and other	600.00	1,320.63	300.00	2,220.63
Totals	600.00	1,320.63	300.00	2,220.63

* Within the year 2011 the company has liquidated.

16.3 Associates

30/9/2012

<u>Company</u>	<u>Mediterranean</u> <u>Ferries S.r.l.</u>
Minoan Lines S.A. (due from)	46,454.03
Totals	46,454.03

31/12/2011

<u>Company</u>	<u>Mediterranean</u> <u>Ferries S.r.l.</u>
Minoan Lines S.A. (due from)	46,454.03
Totals	46,454.03

All the above transactions, as referred in notes 16.1 and 16.2, were entered into at arm's length.

16.4 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:

	<u>30/9/2012</u>	<u>30/9/2011</u>
Executive directors	377,704.05	377,364.05
Non – executive directors	142,491.50	142,811.50
management	481,166.73	540,076.36
Totals	1,001,362.28	1,060,251.91

Of the total remunerations above for the current period, an amount of € 64,810.91 remains unpaid as at 30/9/2012. In addition, as at 30/9/2012, an amount of € 77,622.30 is receivable from one of the members of the Board of Directors, resulting from commercial activities.

17. Contingent liabilities

By virtue of Decision No. 210/III/2002 of the Competition Committee, a penalty was imposed on the Company amounting of € 4.5 million. The Company was justified by the Court of Appeal of Athens with Decision 1101/2005. An appeal by the Greek Government and the Competition Committee had been filed against the final instance courts. With the 2812/2012 Decision by the Council of State (B' section 7-membered), the

Company was justified definitively and the case was closed since the cancellation of the Decision No. 210/III/2002 of the Competition Committee has become irreversible.

Following an extraordinary audit by the Heraklion B' Tax Office, on the issue of tax items (bills of landing) of the Company's existing transactions, but which incorrectly displayed information relating to the recipients of the transport service, decisions and acts against the Company have been issued amounting in total, according to the Tax Authority's notification documents, to € 493 thousand. The Company believes that it has no liability and appealed against those decisions and acts, estimating that will be fully justified thus no relevant provision has been established.

Beyond the above mentioned, there are no other changes in contingent liabilities of the Company and the Group to those referred in the Annual Financial Statements of 2011.

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

<u>Company</u>	<u>Unaudited tax years</u>
Minoan Lines S.A.	2006 - 2011
Kritiki Filoxenia S.A.	2007 - 2011
Athina A.V.E.E.	2007 - 2011
Minoan Italia S.p.A.	2009 - 2011
Mediterranean Ferries S.r.l.	2002 - 2011

From the financial year 2011 and onwards, all Greek Societe Anonyme and Limited Liability Companies that are required to prepare audited statutory financial statements must in addition obtain an «Annual Tax Certificate» as provided for by paragraph 5 of Article 82 of L.2238/1994. This «Annual Tax Certificate» must be issued by the same statutory auditor or audit firm that issues the audit opinion on the statutory financial statements. Upon completion of the tax audit, the statutory auditor or audit firm must issue to the entity a «Tax Compliance Report» which will subsequently be submitted electronically to the Ministry of Finance, by the statutory auditor or audit firm. This «Tax Compliance Report» must be submitted to the Ministry of Finance, within ten days from the end of the seventh month following the end of the financial year. The Ministry of Finance will subsequently select a sample of at least 9% of all companies for which a «Tax Compliance Report» has been submitted for the performance of a tax audit by the relevant auditors from the Ministry of Finance. The audit by the Ministry of Finance must be completed within a period of eighteen months from the date when the «Tax Compliance Report» was submitted to the Ministry of Finance. For the parent Company and the subsidiaries «Kritiki Filoxenia S.A.» and «Athina A.V.E.E.», the «Tax Compliance Report» for the financial year 2011 has been issued with no substantial adjustments with respect to the tax expense and corresponding tax provision as reflected in the annual financial statements for 2011. According to the relevant legislation, the financial year 2011 will be considered final for tax audit purposes after eighteen months from the submission of the «Tax Compliance Report» to the Ministry of Finance.

18. Subsequent events

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

Heraklion, November 28th 2012

**The Vice Chairman
of the B.o.D.**

**The Managing
Director**

**The Accounting
Manager**

The Accountant

**Konstantinos
Mamalakis
ID C No AA 367050**

**Antonios
Maniadakis
ID C No AI 944699**

**Isidoros
Manolakis
ID C No AE 961838**

**Georgios
Avgoustakis
ID C No AB 478295
ID OEE 0051530 First Class**



MINOAN LINES SHIPPING S.A.
SHIPPING SOCIETE ANONYME

Company's Number in the S.A.s Register: 1114/06/B/86/13

Domestic: 17, 25th August Gr. 71002 - Heraldon Creta

Notes and Information for the period ended September 30th, 2012 (1/1 - 30/9/2012)
In accordance with the decision 4/507/28.04.2009 of the Hellenic Capital Market Commission

The financial information set out below provides a general presentation of the financial position and results of MINOAN LINES SHIPPING S.A. and its Group. We recommend to the reader, before any investment decision or transaction is performed with the Company, to visit the web site (at www.minoan.gr), where the financial statements are presented and the type of the auditor's report if required.

COMPANY'S INFORMATION				STATEMENT OF CHANGES IN EQUITY			
Web site address: www.minoan.gr				The Group			
Date of the interim financial statements approval by the BoD: November 28 th , 2012				30/9/2012			
Certified Auditor Accountant: Michailos Konstantinos Reg. No. ICFA (GR) 17701				30/9/2011			
Audit Firm: PricewaterhouseCoopers S.A. Reg. No. ICFA (GR) 113				The Company			
Type of auditor's report: Not required				30/9/2012			
30/9/2011				30/9/2011			
Total equity (1/1/2012 and 1/1/2011 respectively)				217,653,667.92	267,396,252.65	226,592,310.89	265,959,078.21
Total comprehensive income for the period after tax				-19,944,627.25	-22,168,748.12	-20,429,862.89	-22,278,569.88
Change due to liquidation & termination of Subsidiary companies				-	-	-	-
Total equity at the end of the period (30/9/2012 and 30/9/2011)				207,709,040.67	245,227,504.53	206,162,448.00	243,680,508.33

STATEMENT OF FINANCIAL POSITION				STATEMENT OF CASH FLOWS			
The Group				The Group			
30/9/2012				1/1-30/9/2012			
30/9/2011				1/1-30/9/2011			
ASSETS				Cash flows from operating activities:			
Property, plant and equipment	410,295,760.03	417,069,399.47	244,171,357.70	417,069,399.47	Loss before Taxes	-19,944,129.99	-22,252,386.86
Investment property	1,391,142.93	1,422,042.97	1,391,142.93	1,422,042.97	Plus/ Less adjustments for:	-	-
Intangible assets	370,410.78	399,932.22	370,410.78	399,932.22	Net depreciation and amortization	10,572,155.47	10,855,072.22
Other non-current assets	77,539,030.23	77,538,170.23	248,086,717.11	80,861,378.42	Provision	156,069.21	217,452.00
Investment	6,123,570.49	9,934,785.50	6,123,570.49	9,934,785.50	Net foreign exchange (gain) / losses	4,144.22	-3,205.74
Trade receivables	57,042,227.23	56,878,006.85	56,999,979.13	56,877,237.26	(Income) / expense, (gain) / losses from investing activities	2,783.59	-23,576.33
Other current assets	6,443,175.44	25,475,013.72	5,970,307.20	25,240,027.13	Interest and other financial expenses	7,698,574.15	8,870,945.13
Non-current assets held for sale	4,556,679.05	4,556,679.05	-	-	Plus/ Less adjustments for changes in working capital or operating activities	-	-
TOTAL ASSETS	563,767,996.18	593,274,029.81	563,112,485.34	591,804,802.97	Decrease / (Increase) in inventories	3,811,215.01	-585,008.64
EQUITY AND LIABILITIES				Cash flows from financing activities:			
Share Capital	159,583,500.00	159,583,500.00	159,583,500.00	159,583,500.00	Decrease / (Increase) in trade and other receivables	469,965.95	-11,100,090.03
Retained Earnings and other Reserves	48,125,540.67	68,070,167.92	46,578,948.00	67,008,810.89	Increase in liabilities other than borrowing	7,051,581.94	19,162,908.07
Total Shareholders' Equity (a)	207,709,040.67	227,653,667.92	206,162,448.00	226,592,310.89	Less:	-	-
Non-controlling Interests (b)	-	-	-	-	Interest and related expenses paid	-7,550,730.89	-6,897,613.26
TOTAL EQUITY (c) = (a) + (b)	207,709,040.67	227,653,667.92	206,162,448.00	226,592,310.89	Income taxes paid	19,571.30	-1,669,248.07
Long-term Borrowing	237,265,230.85	241,795,584.61	237,265,230.85	241,795,584.61	Net cash generated by / (used in) operating activities (a)	2,294,200.10	-3,008,653.51
Provision for long-term liabilities	6,410,751.79	6,658,553.19	6,026,129.80	6,284,020.20	Cash flows from investing activities:	-	-
Bank overdrafts and current portion of long term borrowing	32,333,362.11	43,601,028.87	32,333,362.11	43,601,028.87	Purchase of property, plant and equipment	-3,891,923.83	-400,245.95
Other current liabilities	79,849,590.76	72,565,196.22	81,215,194.58	72,531,848.40	Proceeds from property, plant and equipment disposal	8,000.00	8,000.00
TOTAL LIABILITIES (d)	356,058,935.51	365,620,261.89	356,950,037.34	365,212,492.08	Dividends received	-	6,664.54
TOTAL EQUITY AND LIABILITIES (c) + (d)	563,767,996.18	593,274,029.81	563,112,485.34	591,804,802.97	Net cash (used in) investing activities (b)	-3,885,923.83	-388,206.96
				Cash flows from financing activities:			
				Repayment of long/short term borrowing			
				Dividends paid			
				Net Cash (used in) financing activities (c)			
				Net (decrease) in cash and cash equivalents (a) + (b) + (c)			
				Cash and cash equivalents at the beginning of the year			
				Cash and cash equivalents at the end of the period			

STATEMENT OF COMPREHENSIVE INCOME							
The Group				The Company			
1/1-30/9/2012				1/1-30/9/2012			
1/1-30/9/2011				1/1-30/9/2011			
Revenue	121,329,946.03	157,486,747.73	53,825,351.11	78,160,092.56	119,600,580.45	157,412,841.25	52,146,474.92
Costs less:	971,087.76	5,706,462.35	8,239,171.85	11,732,452.66	251,528.18	5,632,555.87	11,707,666.99
Operating loss before tax, financing and investing costs	-12,305,329.73	-11,478,621.15	3,224,606.81	5,422,535.56	-12,788,727.70	-13,504,233.64	2,829,284.66
Loss before taxes	-19,944,129.99	-22,252,386.86	1,063,292.31	2,559,817.89	-20,429,862.89	-22,278,569.88	563,262.70
Loss after taxes (A)	-19,944,627.25	-22,168,748.12	1,061,630.18	2,546,638.02	-20,429,862.89	-22,278,569.88	563,262.70
Equity holders of the parent	-19,944,627.25	-22,168,748.12	1,061,630.18	2,545,753.46	-20,429,862.89	-22,278,569.88	563,262.70
Non-controlling Interests	-	-	-	884.56	-	-	-
Other Comprehensive income after taxes (B)	-	-	-	-	-	-	-
Total comprehensive income after taxes (A)+(B)	-19,944,627.25	-22,168,748.12	1,061,630.18	2,546,638.02	-20,429,862.89	-22,278,569.88	563,262.70
Equity holders of the parent	-19,944,627.25	-22,168,748.12	1,061,630.18	2,545,753.46	-20,429,862.89	-22,278,569.88	563,262.70
Non-controlling Interests	-	-	-	884.56	-	-	-
Basic and diluted earnings per share after taxation in (€)	-0.2812	-0.3126	0.0150	0.0359	-0.2880	-0.3141	0.0357
Operating loss before tax, depreciation, financing and investing costs	-1,733,174.26	-2,623,850.93	6,651,128.06	9,245,215.44	-3,226,777.24	-2,649,163.42	5,146,100.90

Notes and information:

- The Companies that are included in the above stated financial statements with their location, the Group interest and the consolidation method are presented in note 1 of the interim financial statements.
- The consolidated financial statements are included in the consolidated financial statements of the company "GRIMALDI COMPAGNIA DI NAVIGAZIONE S.p.A." (domicile: Palermo Italy) which at the period ended September 30th, 2012 participated in the share capital of the parent company with 91.89% (call option of 4.11% included).
- The unaudited tax years of the Company and of the companies of the Group are analyzed in note 17 of the interim financial statements.
- The main accounting principles of 31/12/2011 have been consistently applied.
- For covering the long-term debt, firm preferred mortgages have been registered on the vessels of the above stated financial statements amounting to € 375,000,000.00 and have been pledged the shares of the subsidiary company Minoan Italia S.p.A. Furthermore, the short-term borrowings are secured by pontificated checks and firm preferred mortgages have been registered on two of the Company's properties.
- There are no outstanding disputes in the courts or any arbitration against the Company and consolidated Subsidiaries, which could have substantial effects on the financial position. The relevant provisions included in the above stated financial statements are the following:

	The Group	The Company
Provisions for debtors balances legally pursued	12,550,685.38	12,550,685.38
Provisions for unaudited tax years	-	-
Other Provisions	-	-

7. The number of the personnel employed by the Group at year end 30/9/2012 and 30/9/2011 was 390 and 552, respectively.

8. Earnings per share is calculated on the weighted average number of shares outstanding.

9. The total inflows and outflows, as well as the receivables and payables, resulting from transactions among the related parties in accordance with the I.A.S. 24 are as follows:

	The Group	The Company
a) Inflows	4,941,294.58	5,139,453.06
b) Outflows	16,928,373.57	16,928,373.57
c) Receivables	1,271,848.16	1,331,145.15
d) Payables	39,319,455.60	40,989,617.75
e) Transactions and compensations of directors and members of BoD	1,001,362.28	1,001,362.28
f) Receivables from directors and members of BoD	77,622.30	77,622.30
g) Payables to directors and members of BoD	64,810.91	64,810.91

Heraldon, November 28th 2012

The Vice Chairman
of the B.o.D.

The Managing
Director

The Accounting
Manager

The Accountant

KONSTANTINOS
MAMALAKIS
ID C Nr. AA 367050

ANTONIO
MANIADAKIS
ID C Nr. AI 944699

IGIDOROS
MANOLAKIS
ID C Nr. AE 961538

GEORGIOS
AVGUSTAKIS
ID C Nr. AB 479395
ID ORE 005150 Pricer Class