MINOAN LINES SHIPPING S.A.

condensed interim Company stand–alone and consolidated financial statements for the period ended September 30th 2013 (1/1 – 30/9/2013)

in accordance with I.A.S. 34
(interim financial reporting)

TRANSLATED FROM THE GREEK ORIGINAL

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

The condensed interim Company stand–alone and consolidated financial statements were approved by the Company's Board of Directors' meeting on November 26th 2013 and have been published to the electronic address www.minoan.gr. It is noted that the published, in the press, condensed financial data aim to provide the user with general information of the Company's and Group's financial results and position, according to International Financial Reporting Standards.

Shipping Societe Anonyme
Company's Nr in the General Electronic Commercial Registry: 77083027000
(former Company's Nr in the S.As. Register 11314 / 06 / B / 86 / 13)
17, 25th August Str. – 71 202 Heraklion – Crete

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

(amounts in thousands of €)

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

		The Group				The Company			
	Note	1/1–30/9/2013	1/1–30/9/2012	1/7–30/9/2013	1/7–30/9/2012	1/1–30/9/2013	1/1–30/9/2012	1/7–30/9/2013	1/7–30/9/2012
Revenue	5	127,098	121,330	56,603	53,825	119,307	119,601	53,992	52,146
Cost of sales	6	-113,332	-120,359	-46,391	-45,586	-109,186	-119,349	-45,009	-44,576
Gross Profit / (Loss)		**13,766**	**971**	**10,212**	**8,239**	**10,121**	**252**	**8,983**	**7,570**
Other operating income		784	659	289	350	785	751	289	441
Selling expenses		-9,197	-9,035	-3,586	-3,713	-9,130	-9,035	-3,562	-3,713
Administrative expenses		-4,312	-4,789	-1,358	-1,489	-4,209	-4,647	-1,350	-1,407
Other operating expenses		-214	-112	-35	-62	-212	-110	-36	-62
Operating Profit / (Loss) before financing costs		**827**	**-12,306**	**5,522**	**3,325**	**-2,645**	**-12,789**	**4,324**	**2,829**
Finance income		46	63	16	22	41	58	13	17
Finance expenses		-5,979	-7,699	-1,787	-2,283	-5,979	-7,699	-1,787	-2,283
Net finance results		**-5,933**	**-7,636**	**-1,771**	**-2,261**	**-5,938**	**-7,641**	**-1,774**	**-2,266**
Dividends received from subsidiaries		–	–	–	–	297	–	–	–
Profit / (Loss) before taxes		**-5,106**	**-19,942**	**3,751**	**1,064**	**-8,286**	**-20,430**	**2,550**	**563**
Income tax	7	-180	-3	-62	-2	–	–	–	–
Profit / (Loss) of the period after taxes (A)		**-5,286**	**-19,945**	**3,689**	**1,062**	**-8,286**	**-20,430**	**2,550**	**563**
Other comprehensive income (B)		–	–	–	–	–	–	–	–
Total comprehensive income for the period after taxes (A) + (B)		**-5,286**	**-19,945**	**3,689**	**1,062**	**-8,286**	**-20,430**	**2,550**	**563**
The loss of the period is attributable to :									
Owners of the parent company		**-5,286**	**-19,945**	**3,689**	**1,062**	**-8,286**	**-20,430**	**2,550**	**563**
Non–controlling Interests		–	–	–	–	–	–	–	–
Profit / (Loss) of the period after taxes		**-5,286**	**-19,945**	**3,689**	**1,062**	**-8,286**	**-20,430**	**2,550**	**563**
The total comprehensive income for the period is attributable to :									
Owners of the parent		**-5,286**	**-19,945**	**3,689**	**1,062**	**-8,286**	**-20,430**	**2,550**	**563**
Non–controlling interests		–	–	–	–	–	–	–	–
Total comprehensive income for the period after taxes		**-5,286**	**-19,945**	**3,689**	**1,062**	**-8,286**	**-20,430**	**2,550**	**563**
Basic and Diluted Earnings per Share after Taxes (in €)	8	**-0.0745**	**-0.2812**	**0.0520**	**0.0150**	**-0.1168**	**-0.2880**	**0.0360**	**0.0079**

The accompanying notes on pages 7 – 17 are an integral part of the condensed interim financial statements

(amounts in thousands of €)

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

Assets	Note	The Group 30/9/2013	The Group 31/12/2012 * Restated	The Company 30/9/2013	The Company 31/12/2012 * Restated
Non – current assets					
Tangible assets **	9	400,800	408,011	240,208	243,273
Intangible assets	9	274	334	274	334
Investment property	10	1,350	5,938	1,350	1,381
Investments in subsidiaries	11	–	–	167,344	170,548
Available for sale financial assets	12	57,573	57,573	57,573	57,573
Other non – current assets		13,657	12,917	13,657	12,917
Total non – current assets **		**473,654**	**484,773**	**480,406**	**486,026**
Current assets					
Inventories **	19	3,418	6,596	3,418	6,596
Trade and other receivables		38,264	36,452	38,144	36,391
Other current assets		6,122	5,351	4,351	4,623
Cash and cash equivalents	13	10,595	19,654	9,668	19,509
		58,399	**68,053**	**55,581**	**67,119**
Non–current assets held for sale	14	4,556	–	3,271	–
Total current assets **		**62,955**	**68,053**	**58,852**	**67,119**
Total Assets		**536,609**	**552,826**	**539,258**	**553,145**
Equity and liabilities					
Equity					
Share capital	15 & 21	159,584	159,584	159,584	159,584
Proceeds against forthcoming share capital increase	15 & 21	38,500	–	38,500	–
Share premium	15	26,188	26,943	26,188	26,943
Fair value reserves	1	–	–	–	–
Other reserves		59,934	59,918	59,917	59,917
Retained earnings *	1 & 19	-75,396	-70,094	-81,322	-73,036
Total Equity attributable to equity holders of the parent *		**208,810**	**176,351**	**202,867**	**173,408**
Non–controlling interests		–	–	–	–
Total Equity *		**208,810**	**176,351**	**202,867**	**173,408**
Non – current liabilities					
Loans	16	221,237	–	221,237	–
Deferred tax liabilities		160	238	–	–
Retirement benefit obligations *	19	1,818	1,727	1,818	1,727
Deferred government grants		3,885	4,030	3,885	4,030
Other provisions		83	83	83	83
Total Non – current liabilities *		**227,183**	**6,078**	**227,023**	**5,840**
Current liabilities					
Bank overdrafts		5,000	24,896	5,000	24,896
Loans–current portion of long term loans	16	16,259	242,926	16,259	242,926
Trade and other payables		78,697	102,575	87,609	106,075
		99,956	**370,397**	**108,868**	**373,897**
Liabilities related to non–current assets held for sale		660	–	500	–
Total Current liabilities		**100,616**	**370,397**	**109,368**	**373,897**
Total Liabilities		**327,799**	**376,475**	**336,391**	**379,737**
Total Equity and Liabilities		**536,609**	**552,826**	**539,258**	**553,145**

The accompanying notes on pages 7 – 17 are an integral part of the condensed interim financial statements

Restated financial figures
*** Readjusted values as of 31/12/2012 due to the amendment of I.A.S. 19**
**** Reclassifications as of 30/9/2013 due to the amendment of I.A.S. 16**

(amounts in thousands of €)

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

	Note	Share Capital	Payments against forthcoming share capital increase	Share premium	Fair value reserves	Other reserves	Retained earnings	Total Equity
Balance as at 1/1/2012		**159,584**	**–**	**26,943**	**–**	**59,917**	**-19,851**	**226,593**
Restatement due to change of accounting standard *	19						**26**	**26**
Changes in equity 1/1 – 30/9/2012								
(Loss) of the period after taxes (A)							-20,430	**-20,430**
Other comprehensive income (B)							–	**–**
Total comprehensive income after tax (A) + (B)							**-20,430**	**-20,430**
Balance as at 30/9/2012		**159,584**	**–**	**26,943**	**–**	**59,917**	**-40,255**	**206,189**
Balance as at 1/1/2013 (restated) *	1 & 19	**159,584**	**–**	**26,943**	**–**	**59,917**	**-73,036**	**173,408**
Changes in equity 1/1 – 30/9/2013								
Proceeds against forthcoming share capital increase	15 & 21		38,500					**38,500**
Costs of forthcoming share capital increase	15			-755				**-755**
(Loss) of the period after taxes (A)							-8,286	**-8,286**
Other comprehensive income (B)							–	**–**
Total comprehensive income after tax (A) + (B)							**-8,286**	**-8,286**
Balance as at 30/9/2013		**159,584**	**38,500**	**26,188**	**–**	**59,917**	**-81,322**	**202,867**

The accompanying notes on pages 7 – 17 are an integral part of the condensed interim financial statements

Restated financial figures
*** Restatement due to the amendment of I.A.S. 19**

(amounts in thousands of €)

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Attributed to owners of the parent company								
		Share Capital	Payments against forthcoming share capital increase	Share premium	Fair value reserves	Other reserves	Retained earnings	Total Shareholders Equity	Non–controlling interests	Total Equity
Balance as at 1/1/2012		**159,584**	**–**	**26,943**	**–**	**59,918**	**-18,791**	**227,654**	**–**	**227,654**
Restatement due to change of accounting standard *	19						**26**	**26**	**–**	**26**
Changes in equity 1/1 – 30/9/2012										
(Loss) of the period after taxes (A)							-19,945	**-19,945**	–	**-19,945**
Other comprehensive income (B)							–	**–**	–	**–**
Total comprehensive income after tax (A) + (B)							**-19,945**	**-19,945**	**–**	**-19,945**
Balance as at 30/9/2012		**159,584**	**–**	**26,943**	**–**	**59,918**	**-38,710**	**207,735**	**–**	**207,735**
Balance as at 1/1/2013 (restated) *	1 & 19	**159,584**	**–**	**26,943**	**–**	**59,918**	**-70,094**	**176,351**	**–**	**176,351**
Changes in equity 1/1 – 30/9/2013										
Proceeds against forthcoming share capital increase	15 & 21		38,500					**38,500**		**38,500**
Costs of forthcoming share capital increase	15			-755				**-755**		**-755**
Transfer between retained earnings and other reserves (ordinary reserve)						16	-16	**–**		**–**
(Loss) of the period after taxes (A)							-5,286	**-5,286**	–	**-5,286**
Other comprehensive income (B)							–	**–**	–	–
Total comprehensive income after tax (A) + (B)							**-5,286**	**-5,286**	**–**	**-5,286**
Balance as at 30/9/2013		**159,584**	**38,500**	**26,188**	**–**	**59,934**	**-75,396**	**208,810**	**–**	**208,810**

The accompanying notes on pages 7 – 17 are an integral part of the condensed interim financial statements

Restated financial figures
*** Restatement due to the amendment of I.A.S. 19**

(amounts in thousands of €)

CONDENSED INTERIM STATEMENT OF CASH FLOWS

	The Group		The Company	
	1/1–30/9/2013	1/1–30/9/2012	1/1–30/9/2013	1/1–30/9/2012
Cash Flows from Operating Activities				
Loss of the year before taxes	**-5,106**	**-19,942**	**-8,286**	**-20,430**
Plus / Less adjustments for:				
Net depreciation and amortization	11,459	10,572	7,313	9,562
Provisions	270	156	270	156
Net Foreign Exchange (gains) / losses	2	4	2	4
[(Income), (gains) / Expenses, losses] from investing activities	-1	3	-298	-87
Interest and other financial expenses	5,979	7,699	5,979	7,699
Adjustments for changes in working capital or operating activities				
Decrease in inventories	161	3,811	161	3,811
(Increase) / Decrease in trade and other receivables	-3,534	471	-2,433	518
(Decrease) / Increase in liabilities other than borrowings	-24,063	7,091	-18,570	8,375
Less :				
Interest and related expenses paid	-5,622	-7,551	-5,622	-7,551
Income taxes paid	-18	-20	–	–
Net cash (used in) / generated by operating activities (a)	**-20,473**	**2,294**	**-21,484**	**2,057**
Cash Flows from Investing activities				
Participation in share capital increases of subsidiaries	–	–	-68	–
Purchase of property, plant and equipment	-1,697	-3,894	-1,697	-3,894
Proceeds from disposal of property, plant and equipment	414	8	414	8
Advances on sales of non - current assets held for sale	500	–	500	–
Dividends received	–	–	297	–
Net cash (used in) investing activities (b)	**-783**	**-3,886**	**-554**	**-3,886**
Cash Flows from Financing activities				
Net proceeds from share capital increase under development	37,745	–	37,745	–
Repayment of long/short term borrowings	-25,457	-16,796	-25,457	-16,796
Dividends paid	-91	-2	-91	-2
Net cash flow generated by / (used in) financing activities (c)	**12,197**	**-16,798**	**12,197**	**-16,798**
Net (decrease) in cash and cash equivalents(a)+(b)+(c)	**-9,059**	**-18,390**	**-9,841**	**-18,627**
Cash and cash equivalents at the beginning of the year	**19,654**	**20,495**	**19,509**	**20,260**
Cash and cash equivalents at the end of the year	**10,595**	**2,105**	**9,668**	**1,633**

The accompanying notes on pages 7 – 17 are an integral part of the condensed interim financial statements

Notes to the condensed interim Company stand–alone and consolidated financial statements for the period ended September 30th 2013 (1/1–30/9/2013)

1. General Company's and Group's information

The Company was established on May 25th 1972 (F.E.K. 939–25/5/1972), is based in the Municipality of Heraklion – Crete and its discrete name is "MINOAN LINES SHIPPING 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 30/9/2013 and 30/9/2012 was 386 and 390, respectively.
Minoan Lines' shares are listed on the Athens Stock Exchange (code: MINOA). The corresponding code under Reuters is MILr.AT and under Bloomberg is MINOA GA.
As at 30/9/2013 the total number of ordinary shares outstanding on 30/9/2013 was 70,926,000, while the total market capitalization reached € 141,852. Every share carries one voting right.
From 2008, the majority of the Company's shares are held by "GRIMALDI COMPAGNIA DI NAVIGAZIONE S.p.A.", a member of the "Grimaldi Group" which is based in Palermo – Italy and became overlying parent company which has control of both the Company and the Group.
The General Shareholders' Meeting elects the Board of Directors which consists of 7–9 members. The current structure of the Board of Directors is comprised by eight (8) members, who were elected by the General Shareholders' Meeting held on June 21st 2013. On September 30th 2013, three (3) members of the board were executive, three (3) were non–executive and two (2) were non–executive–independent members.
The condensed interim financial statements for the period ended 30/9/2013, which were approved by the Board of Directors meeting on November 26th 2013, include the condensed interim Company stand–alone and consolidated financial statements (the "Financial Statements").
The consolidated financial statements include the Company and its subsidiaries (the Group).
The subsidiaries 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:

company	Consolidation Method	Headquarters	% Interest 2013	% Interest 2012
Minoan Italia S.p.A.	Full	Palermo Italy	100%	100%
*Kritiki Filoxenia S.A.**	*Full*	*Heraklion Crete*	*100%*	*100%*
*Athina A.V.E.E.**	*Full*	*Heraklion Crete*	*100%*	*100%*

** Consolidated until 30/6/2013*

The Company's management reassessed an accounting treatment and proceeded to the correction of error in accordance with the provisions of I.A.S. 8 which recognized in the stand–alone and consolidated results with date 31/12/2012. The restated financial statements for the year 2012 are presented in detail in the published condensed interim financial statements for the period 1/1–30/6/2013.

2. Basis of preparation of the financial statements

2.1 Statement of compliance

The condensed interim financial statements have been prepared in accordance with International Accounting Standard 34 (interim financial reporting).
The condensed interim financial statements do not include all notes and information required and it is recommended they be read in conjunction with both the Annual Financial Statements for the year ended 2012 and the condensed interim financial statements for the period ended June 30th 2013, where there was a restatement of accounts of the year ended 2012.
This financial information has been prepared on the basis that the Group operates as a going concern which implies that it has sufficient financial resources to meet its financial and operating obligations for the foreseeable future.
The amounts of the condensed interim financial statements are presented in thousands of €, unless explicitly stated otherwise. Any decimal discrepancies are due to the rounding of the figures.

2.2 Use of estimates

The preparation of the condensed interim 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 31/12/2012.

3. Significant accounting policies

The significant accounting policies adopted for the preparation of the Financial Statements on 30/9/2013, are those applied for the preparation of the Annual Financial Statements on 31/12/2012 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 is in the process of assessing the impact of the implementations of the I.F.R.S. amendments in the financial statements. In any such case, unless otherwise stated, the Group considers that the following amendments have no or insignificant effect to the interim condensed financial statements.

Standards and Interpretations effective for the current financial year

I.A.S. 1 (Amendment) "Presentation of Financial Statements"

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.

I.A.S. 19 (Amendment) "Employee Benefits"

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.

I.A.S. 12 (Amendment) "Income Taxes"

The amendment to I.A.S. 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 I.A.S. 40 "Investment Property".

I.F.R.S. 13 "Fair Value Measurement"

I.F.R.S. 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 I.F.R.S.s. I.F.R.S. 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across I.F.R.S.s. Disclosure requirements are enhanced and apply to all assets and liabilities measured at fair value, not just financial ones.

I.F.R.S. 7 (Amendment) "Financial Instruments: Disclosures"

The I.A.S.B 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.

IFRIC 20 "Stripping costs in the production phase of a surface mine"

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.

Amendments to standards that form part of the I.A.S.B's 2011 annual improvements project

The amendments set out below describe the key changes to I.F.R.S.s following the publication in May 2012 of the results of the I.A.S.B's annual improvements project.

I.A.S. 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 I.A.S. 8 "Accounting policies, changes in accounting estimates and errors" or (b) voluntarily.

I.A.S. 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.

I.A.S. 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 I.A.S. 12.

I.A.S. 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 I.F.R.S. 8 "Operating segments".

Standards and Interpretations effective for periods beginning on or after 1 January 2014

I.F.R.S. 9 "Financial Instruments" (effective for annual periods beginning on or after 1 January 2015)

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

I.F.R.S. 7 (Amendment) "Financial Instruments: Disclosures" (effective for annual periods beginning on or after 1 January 2015)

The amendment requires additional disclosures on transition from I.A.S. 39 to I.F.R.S. 9. The amendment has not yet been endorsed by the EU.

I.A.S. 32 (Amendment) "Financial Instruments: Presentation" (effective for annual periods beginning on or after 1 January 2014)

This amendment to the application guidance in I.A.S. 32 clarifies some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position.

Group of standards on consolidation and joint arrangements (effective for annual periods beginning on or after 1 January 2014)

The I.A.S.B has published five new standards on consolidation and joint arrangements: I.F.R.S. 10, I.F.R.S. 11, I.F.R.S. 12, I.A.S. 27 (amendment) and I.A.S. 28 (amendment). These standards are effective for annual periods beginning on or after 1 January 2014. Earlier application is permitted only if the entire "package" of five standards is adopted at the same time. 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.

I.F.R.S. 10 "Consolidated Financial Statements"

I.F.R.S. 10 replaces all of the guidance on control and consolidation in I.A.S. 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.

I.F.R.S. 11 "Joint Arrangements"

I.F.R.S. 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.

I.F.R.S. 12 "Disclosure of Interests in Other Entities"

I.F.R.S. 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 I.F.R.S. 12 in its entirety, or I.F.R.S. 10 or 11, or the amended I.A.S. 27 or 28.

I.A.S. 27 (Amendment) "Separate Financial Statements"

This Standard is issued concurrently with I.F.R.S. 10 and together, the two I.F.R.S.s supersede I.A.S. 27 "Consolidated and Separate Financial Statements". The amended I.A.S. 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 I.A.S. 27 requirements from I.A.S. 28 "Investments in Associates" and I.A.S. 31 "Interests in Joint Ventures" regarding separate financial statements.

I.A.S. 28 (Amendment) "Investments in Associates and Joint Ventures"

I.A.S. 28 "Investments in Associates and Joint Ventures" replaces I.A.S. 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 I.F.R.S. 11.

I.F.R.S. 10, I.F.R.S. 11 and I.F.R.S. 12 (Amendment) "Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance" (effective for annual periods beginning on or after 1 January 2014)

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

I.F.R.S. 10, I.F.R.S. 12 and I.A.S. 27 (Amendment) "Investment entities" (effective for annual periods beginning on or after 1 January 2014)

(amounts in thousands of €)

The amendment to I.F.R.S. 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 I.F.R.S. 12 introduce disclosures that an investment entity needs to make. These amendments have not yet been endorsed by the EU.

I.A.S. 36 (Amendment) "Recoverable amount disclosures for non-financial assets" (effective for annual periods beginning on or after 1 January 2014)

This amendment requires: a) disclosure of the recoverable amount of an asset or cash generating unit (CGU) when an impairment loss has been recognized or reversed and b) detailed disclosure of how the fair value less costs of disposal has been measured when an impairment loss has been recognized or reversed. Also, it removes the requirement to disclose recoverable amount when a CGU contains goodwill or indefinite lived intangible assets but there has been no impairment. This amendment has not yet been endorsed by the EU.

IFRIC 21 "Levies" (effective for annual periods beginning on or after 1 January 2014)

This interpretation sets out the accounting for an obligation to pay a levy imposed by government that is not income tax. The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy (one of the criteria for the recognition of a liability according to I.A.S. 37) is the activity described in the relevant legislation that triggers the payment of the levy. The interpretation could result in recognition of a liability later than today, particularly in connection with levies that are triggered by circumstances on a specific date. This interpretation has not yet been endorsed by the EU.

I.A.S. 39 (Amendment) "Financial Instruments: Recognition and Measurement" (effective for annual periods beginning on or after 1 January 2014)

This amendment will allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulations, if specific conditions are met. This amendment has not yet been endorsed by the E.U.

4. Financial risk management

The Company's policies regarding the financial and capital risk management are those that have been expressively analyzed in both on the Annual Financial Statements on 31/12/2012 as well as on the condensed interim financial statements of 30/6/2013.

4.1 Fair value estimation

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all data with significant effect on the recorded fair value are visible, either directly or indirectly.

Level 3: techniques which use data with significant effect on the recorded fair value and are based on apparent market data.

On September 30th, 2013, the Group and the Company held the following financial instruments measured at fair value:

		The Group		The Company	
	Level	30/9/2013	31/12/2012	30/9/2013	31/12/2012
Financial instruments					
Available for sale financial assets	3	57,573	57,573	57,573	57,573

During the period there were no transfers into and out of Level 3 fair value measurement. Available for sale financial assets are mainly concerned with the Company's investment to Hellenic Seaways Shipping S.A.

5. Revenue

The improvement depicted on the consolidated revenue is mainly due to the redeployment of the Company's fleet. Apart from the withdrawal of its vessels from the Patras–Kerkyra–Igoumenitsa–Venice route, the Company proceeded to the extension of the existing route of Patras–Igoumenitsa–Ancona to the port of Trieste. An additional factor for this improvement has been the revenue increase coming from the chartering of two of the Group's vessels to the Italian firm Compagnia Italiana di Navigazione (C.I.N.).

6. Cost of sales

The reduction on the cost of sales is primarily due to the constraint on fuel costs. This limitation is a result of the reduced itineraries carried out by the Company due to the redeployment of its fleet and mainly the significant fuel saving arising from the upgrade of the propellers' system on both vessels operating on the domestic line of Heraklion-Piraeus, as well as the silicon painting on the vessels' hull and the implementation of slow steaming strategy.

(amounts in thousands of €)

7. Income tax

	The Group		The Company	
	30/9/2013	30/9/2012	30/9/2013	30/9/2012
Deferred tax	82	–	–	–
Income tax estimation for the period ended	98	3	–	–
Totals	**180**	**3**	**–**	**–**

8. Earnings per share

	The Group		The Company	
	30/9/2013	30/9/2012	30/9/2013	30/9/2012
(Loss) of the period attributable to shareholders of the parent company	-5,286	-19,945	-8,286	-20,430
Weighted average number of shares outstanding	70,926,000	70,926,000	70,926,000	70,926,000
Basic and Diluted Loss per Share (in €)	-0.0745	-0.2812	-0.1168	-0.2880

9. Tangible and intangible assets

The Group

	Land	Buildings Technical works	Transportation equipment	Vessels *	Furniture and Other Equipment	Computer Software	Totals
Cost at 1/1/2012	**1,798**	**5,778**	**145**	**523,352**	**3,157**	**2,949**	**537,179**
Acquisitions and additions 1/1 – 31/12/2012	312	672	–	4,185	73	79	**5,321**
Less / (plus) : Disposals – Transfers -Write offs 1/1 – 31/12/2012	–	–	107	123	77	-15	**292**
Costs at 31/12/2012	**2,110**	**6,450**	**38**	**527,414**	**3,153**	**3,043**	**542,208**
Cost at 1/1/2013	**2,110**	**6,450**	**38**	**527,414**	**3,153**	**3,043**	**542,208**
Acquisitions and additions 1/1 – 30/9/2013	–	5	–	1,533	123	36	**1,697**
Less / (plus) : Disposals – Transfers -Write offs 1/1 – 30/9/2013 *	–	–	30	-2,610	1	–	**-2,579**
Costs at 30/9/2013 *	**2,110**	**6,455**	**8**	**531,557**	**3,275**	**3,079**	**546,484**
Accumulated Depreciation at 1/1/2012	**–**	**1,847**	**123**	**112,657**	**2,533**	**2,549**	**119,709**
Depreciation for the period 1/1 – 31/12/2012	–	244	5	13,803	224	146	**14,422**
Less / (plus) : Disposed / Transferred assets accumulated depreciation 1/1 – 31/12/2012	–	–	99	111	72	-14	**268**
Accumulated Depreciation at 31/12/2012	**–**	**2,091**	**29**	**126,349**	**2,685**	**2,709**	**133,863**
Accumulated Depreciation at 1/1/2013	**–**	**2,091**	**29**	**126,349**	**2,685**	**2,709**	**133,863**
Depreciation for the period 1/1 – 30/9/2013	–	196	1	11,115	165	96	**11,573**
Less / (plus) : Disposed / Transferred assets accumulated depreciation 1/1 – 30/9/2013	–	–	25	–	1	–	**26**
Accumulated Depreciation at 30/9/2013	**–**	**2,287**	**5**	**137,464**	**2,849**	**2,805**	**145,410**
Net book value at :							
1/1/2012	**1,798**	**3,931**	**22**	**410,695**	**624**	**400**	**417,470**
31/12/2012	**2,110**	**4,359**	**9**	**401,065**	**468**	**334**	**408,345**
30/9/2013 *	**2,110**	**4,168**	**3**	**394,093**	**426**	**274**	**401,074**

The Company

	Land	Buildings Technical works	Transportation equipment	Vessels *	Furniture and Other Equipment	Computer Software	Totals
Cost at 1/1/2012	**1,798**	**5,778**	**145**	**523,352**	**3,157**	**2,949**	**537,179**
Acquisitions and additions 1/1 – 31/12/2012	312	672	–	4,185	73	79	**5,321**
Less / (plus) : Disposals – Transfers -Write offs 1/1 – 31/12/2012	–	–	107	213,843	77	-15	**214,012**
Costs at 31/12/2012	**2,110**	**6,450**	**38**	**313,694**	**3,153**	**3,043**	**328,488**
Cost at 1/1/2013	**2,110**	**6,450**	**38**	**313,694**	**3,153**	**3,043**	**328,488**
Acquisitions and additions 1/1 – 30/9/2013	–	5	–	1,533	123	36	**1,697**
Less / (plus) : Disposals – Transfers -Write offs 1/1 – 30/9/2013 *	–	–	30	-2,610	1	–	**-2,579**
Costs at 30/9/2013 *	**2,110**	**6,455**	**8**	**317,837**	**3,275**	**3,079**	**332,764**

(amounts in thousands of €)

Accumulated Depreciation at 1/1/2012	**–**	**1,847**	**123**	**112,657**	**2,533**	**2,549**	**119,709**
Depreciation for the period 1/1 – 31/12/2012	–	244	5	11,407	224	146	**12,026**
Less / (plus) : Disposed / Transferred assets accumulated depreciation 1/1 – 31/12/2012	–	–	99	46,697	72	-14	**46,854**
Accumulated Depreciation at 31/12/2012	**–**	**2,091**	**29**	**77,367**	**2,685**	**2,709**	**84,881**
Accumulated Depreciation at 1/1/2013	**–**	**2,091**	**29**	**77,367**	**2,685**	**2,709**	**84,881**
Depreciation for the period 1/1 – 30/9/2013	–	196	1	6,969	165	96	**7,427**
Less / (plus) : Disposed / Transferred assets accumulated depreciation 1/1 – 30/9/2013	–	–	25	–	1	–	**26**
Accumulated Depreciation at 30/9/2013	**–**	**2,287**	**5**	**84,336**	**2,849**	**2,805**	**92,282**
Net book value at :							
1/1/2012	**1,798**	**3,931**	**22**	**410,695**	**624**	**400**	**417,470**
31/12/2012	**2,110**	**4,359**	**9**	**236,327**	**468**	**334**	**243,607**
30/9/2013 *	**2,110**	**4,168**	**3**	**233,501**	**426**	**274**	**240,482**

* Reclassifications due to the amendment of I.A.S. 16 (note 19).

10. Investment property

	The Group			The Company		
	Land	**Buildings**	**Totals**	**Land**	**Buildings**	**Totals**
Cost at 1/1/2012	**557**	**1,195**	**1,752**	**557**	**1,195**	**1,752**
Acquisition and additions 1/1 – 31/12/2012	4,557	816	**5,373**	–	–	–
Costs at 31/12/2012	**5,114**	**2,011**	**7,125**	**557**	**1,195**	**1,752**
Cost at 1/1/2013	**5,114**	**2,011**	**7,125**	**557**	**1,195**	**1,752**
Acquisition and additions 1/1 – 30/9/2013	–	–	–	–	–	–
Less: Disposals – Transfers – Write offs 1/1 – 30/9/2013	4,557	816	**5,373**	–	–	**–**
Costs at 30/9/2013	**557**	**1,195**	**1,752**	**557**	**1,195**	**1,752**
Accumulated Depreciation at 1/1/2012	**–**	**330**	**330**	**–**	**330**	**330**
Plus / (less) : Transferred assets accumulated depreciation 1/1 – 31/12/2012	**–**	816	**816**	**–**	**–**	**–**
Depreciation 1/1 – 31/12/2012	–	41	**41**	–	41	**41**
Accumulated Depreciation at 31/12/2012	**–**	**1,187**	**1,187**	**–**	**371**	**371**
Accumulated Depreciation at 1/1/2013	**–**	**1,187**	**1,187**	**–**	**371**	**371**
Depreciation 1/1 – 30/9/2013	–	31	**31**	–	31	**31**
Less : Disposed / Transferred assets accumulated depreciation 1/1 – 30/9/2013	–	816	**816**	–	–	**–**
Accumulated Depreciation at 30/9/2013	**–**	**402**	**402**	**–**	**402**	**402**
Net Book Value at 1/1/2012	**557**	**865**	**1,422**	**557**	**865**	**1,422**
Net Book Value at 31/12/2012	**5,114**	**824**	**5,938**	**557**	**824**	**1,381**
Net Book Value at 30/9/2013	**557**	**793**	**1,350**	**557**	**793**	**1,350**

In the condensed interim financial statements of 30/6/2013, the property owned by Athina A.V.E.E. (100% subsidiary company of Kritiki Filoxenia S.A.) was reclassified from ''Investment Property" to ''Non-current assets held for sale", on from 26/6/2013 Memorandum of Agreement for the sale of all shares held by the Company on Kritiki Filoxenia S.A. (note 14).

11. Investments in subsidiaries

Investments in subsidiaries are as follows:

	Participation amount	
company	**30/9/2013**	**31/12/2012**
Minoan Italia S.p.A.	167,344	167,344
Kritiki Philoxenia S.A.	–	3,204
Totals	**167,344**	**170,548**

Furthermore, the company Athina A.V.E.E. is 100% subsidiary of the Company's subsidiary Kritiki Filoxenia S.A.
On June 2013, the company Kritiki Filoxenia S.A. proceeded to a share capital increase of € 68, fully contributed by the Company. On June 26th, 2013, the Company signed the Memorandum of Agreement for the sale of its entire share on Kritiki Filoxenia S.A. In the interim condensed financial statements of the first two quarters of 2013, the property owned by Athina A.V.E.E. (100% subsidiary company of Kritiki Filoxenia S.A.) was reclassified from ''Investment Property" to ''Non–current assets held for sale" (note 14).

(amounts in thousands of €)

12. Available for sale financial assets

The term available for sale financial assets refers mainly to the Company's investment in the non-listed company Hellenic Seaways Shipping S.A., which was valued in accordance with I.A.S. 39.

13. Cash and cash equivalents

	The Group		The Company	
	30/9/2013	31/12/2012	30/9/2013	31/12/2012
Cash on hand	433	304	301	304
Cash in banks and time deposits	10,162	19,350	9,367	19,205
Totals	**10,595**	**19,654**	**9,668**	**19,509**

14. Non–Current assets held for sale

On the ''Non–current assets held for sale" of the interim condensed financial statements of 30/9/2013, the Company's share on Kritiki Filoxenia S.A. and the property of Athina A.V.E.E. are included.
On June 26th, 2013, the Company signed a Memorandum of Agreement for the sale of its entire share on Kritiki Filoxenia S.A. to the company "K.T.E.L. Heraklio–Lasithi S.A.". Kritiki Filoxenia S.A. owns the full share of Athina A.V.E.E which has the ownership of the building complex, located in Heraklion, Crete. The sale price for the shares was agreed at € 4,837 while the net price, after deduction of the corresponding transfer tax amounts to € 4,595. To ensure the sale proceeds, the Company maintained a pledge of all shares remained in possession, while the sale is, inter alia, subject to the conditions precedent to provide guarantee on the repayment of the purchase price given by Athina A.V.E.E, which will provide additional mortgage in favor of the Company for the building complex and eliminate existing mortgage underwriting in this complex, which (elimination of existing underwriting and mortgage in favor of the Company) will be completed, after an amendment, by the 20th of December 2013. As the participation of these companies in the consolidated results is negligible and in accordance with paragraph 31 of I.A.S. 1, no further disclosure is required.

15. Share capital

(amounts of note 15 are presented in €)

The share capital of the Company is divided into 70,926,000 ordinary shares with a nominal value of € 2.25 each.
The General Assembly dated 21/6/2013 decided the Capital increase of the Company up to the amount of Euro 50,534,775.00 with the issue of up to 22,459,900 registered shares of nominal value of € 2.25 each through payment in cash and the granting of pre-emption right in favor of existing shareholders and the respective amendment of article 5 of the Articles of Association re "share capital" which shall reflect the resolutions of the same General Assembly. The shares will be granted to the shareholders of the Company through the exercise of the pre-emption right at a ratio of 19 new shares to 60 existing shares at par value. The shares to be issued will be entitled to dividend for the year 2013 provided that they have been issued up to the date of the General Meeting which decides the dividend distribution of the financial year.
The funds raised by virtue of the share capital increase in accordance with the decision of the Ordinary General Assembly of the Company's shareholders will be used for the repayment of the Company's obligations, following the respective deduction of the expenses related to the increase.
More particularly:
(a) Till 28/6/2013, funds up to € 5,500,000.00 will be used for the repayment of the Company's obligations deriving from the Bond Loan Agreement and the repayment of intercompany obligations of value € 32,259,490.19 to the parent company, and
(b) The residual amount will be used for the repayment of intra-group payables and/or third-party payables.
The Ordinary General Meeting of 21/06/2013 approved the above proposed allocation of funds raised and in general the above report of the Board as a whole.
To the share capital increase as provided in the Annual General Meeting 21/6/2013, the major shareholder "GRIMALDI COMPAGNIA DI NAVIGAZIONE S.p.A." proceeded on 25/6/2013 to the payment of € 38,500,000.00, of which € 37,759,490.19 were used on 27/6/2013, according to the decision of the Board 26/6/2013 of the Company, as described above under paragraph **(a)**.
The additional costs for this share capital increase are estimated to € 754,800.00 and are presented as a deduction of total equity, as defined by the standards.
As at 30/9/2013 the process is underway and expected to be completed within the next short term period (note 21).

(amounts in thousands of €)

16. 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 September 30th 2013 is the following:

Within the next year	16,259
2-3 years	32,517
4-5 years	32,517
5 years or more	157,059
Totals	**238,352**

In order to secure the aforementioned debt, first preferred mortgages amounting to € 375,000 have been registered on the Company's vessels. Moreover, the shares of Minoan Italia S.p.A. have been pledged.

17. 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.

The Group

30/9/2013	**Greece routes**	**Adriatic routes**	**Other unallocated items**	**Totals**
Revenue	35,561	79,017	12,520	**127,098**
Gross Profit / (Loss)	3,597	6,684	3,485	**13,766**
Profit / (Loss) before depreciation, taxation, financing and investment costs (E.B.I.T.D.A.)	7,962	3,383	942	**12,287**
Net depreciation	-5,057	-21	-6,382	**-11,460**
Profit / (Loss) before taxation, financing and investment costs (E.B.I.T.)	2,905	3,362	-5,440	**827**
Financial income	–	–	46	**46**
Financial expense	-1,470	–	-4,509	**-5,979**
Profit / (Loss) before tax	1,435	3,362	-9,903	**-5,106**
Income tax expense	–	–	-180	**-180**
Profit / (Loss) after tax	1,435	3,362	-10,083	**-5,286**
Total Assets	174,695	28	361,886	**536,609**
Total Liabilities	78,800	11,552	237,447	**327,799**
Capital expenditure	1,126	1	570	**1,697**

The Group

30/9/2012	**Greece routes**	**Adriatic routes**	**Other unallocated items**	**Totals**
Revenue	36,966	77,251	7,113	**121,330**
Gross (Loss)	294	2,821	-2,144	**971**
(Loss) before depreciation, taxation, financing and investment costs (E.B.I.T.D.A.)	4,131	1,038	-6,902	**-1,733**
Net depreciation	-4,628	-1,392	-4,553	**-10,573**
(Loss) before taxation, financing and investment costs (E.B.I.T.)	-497	-354	-11,455	**-12,306**
Financial income	–	–	63	**63**
Financial expense	-2,046	-1,041	-4,612	**-7,699**
(Loss) before tax	-2,544	-1,395	-16,003	**-19,942**
Income tax expense	–	–	-3	**-3**
(Loss) after tax	-2,544	-1,395	-16,006	**-19,945**
31/12/2012 *				
Total Assets	176,886	46	375,894	**552,826**
Total Liabilities *	78,518	32,246	265,711	**376,475**
Capital expenditure	1,414	3	3,904	**5,321**

* Adjusted amounts due to the amendment of I.A.S. 19 (note 19).

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, are inactive and loan expenses not related to specific vessels.

Minoan Lines Shipping S.A. – condensed interim Company stand–alone and consolidated financial statements for the period 1/1–30/9/2013 (amounts in thousands of €)

- 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.

18. 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 2013 and December 31st 2012, as well as purchases (services received) and sales (services provided) for the periods 1/1–30/9/2013 and 1/1–30/9/2012 respectively:

18.1 Group of ultimate parent company

30/9/2013

company	Minoan Lines Shipping S.A.			The Company	Minoan Italia S.p.A.	The Group
	Grimaldi Compagnia di Navigazione S.p.A. *	Atlantica di Navigazione S.p.A.	Finnlines Plc	Totals	Grimaldi Compagnia di Navigazione S.p.A.	Totals
Due from	–	–	1	**1**	–	**1**
Payable to	11,552	28,937	–	**40,489**	15	**40,504**

** Grimaldi Tours is included*

31/12/2012

company	Minoan Lines Shipping S.A.			The Company	The Group
	Grimaldi Compagnia di Navigazione S.p.A. *	Atlantica di Navigazione S.p.A.	Finnlines Plc	Totals	Totals
Due from	–	–	1	**1**	**1**
Payable to	32,326	28,655	–	**60,981**	**60,981**

** Grimaldi Tours is included*

Both on 30/9/2013 and on 31/12/2012, liability of value € 28,000 is a deposit for the sale of a vessel to a subsidiary of the ultimate parent company. The sale is subject to approval by the lending banks and the Company's G.A.

1/1–30/9/2013

company	Minoan Lines Shipping S.A.		The Company	Minoan Italia S.p.A.	The Group
	Grimaldi Compagnia di Navigazione S.p.A.	Atlantica di Navigazione S.p.A.	Totals	Grimaldi Compagnia di Navigazione S.p.A.	Totals
Chartering cost	14,007	7,819	**21,826**	–	**21,826**
Crew wages cost	534	79	**613**	–	**613**
50% on–board operating result	1,480	487	**1,967**	–	**1,967**
Bunkers cost	522	150	**672**	–	**672**
Other operating cost	2	84	**86**	15	**101**
Totals	**16,545**	**8,619**	**25,164**	**15**	**25,179**
Chartering revenue	–	4,446	**4,446**	–	**4,446**
Revenue from bunker disposal	655	640	**1,295**	–	**1,295**
50% on–board operating result	–	132	**132**	–	**132**
Revenue from crew cost reduction of chartered vessels	244	87	**331**	–	**331**
Other revenue	66	632	**698**	–	**698**
Totals	**965**	**5,937**	**6,902**	**–**	**6,902**

1/1–30/9/2012

company	Minoan Lines Shipping S.A.		The Company	The Group
	Grimaldi Compagnia di Navigazione S.p.A.	Atlantica di Navigazione S.p.A.	Totals	Totals
Chartering cost	13,397	262	**13,659**	**13,659**
Crew wages cost	1,067	5	**1,072**	**1,072**
50% on-board operating result	1,477	–	**1,477**	**1,477**

Minoan Lines Shipping S.A. – condensed interim Company stand–alone and consolidated financial statements for the period 1/1–30/9/2013 (amounts in thousands of €)

Bunkers cost	–	718	**718**		**718**
Other operating cost	–	2	**2**		**2**
Totals	**15,941**	**987**	**16,928**		**16,928**
Chartering revenue	–	4,276	**4,276**		**4,276**
Revenue from crew cost reduction of chartered vessels	183	–	**183**		**183**
Other revenue	295	187	**482**		**482**
Totals	**478**	**4,463**	**4,941**		**4,941**

18.2 Subsidiaries

30/9/2013

company	**Minoan Italia S.p.A.**	**Kritiki Filoxenia S.A.***	**Totals**
Minoan Lines Shipping S.A. (payable to)	9,318	–	**9,318**
Athina A.V.E.E.* (due from)	–	55	**55**

** Consolidated until 30/6/2013*

31/12/2012

company	**Minoan Italia S.p.A.**	**Kritiki Filoxenia S.A.**	**Athina A.V.E.E.**	**Totals**
Minoan Lines Shipping S.A. (due from)	–	59	0	**59**
Minoan Lines Shipping S.A. (payable to)	4,084	–	–	**4,084**
Athina A.V.E.E. (due from)	–	49		**49**

1/1–30/9/2013

company	**Minoan Italia S.p.A.**	**Kritiki Filoxenia S.A.***	**The Company Totals**
Minoan Lines Shipping S.A.			
2012 Dividend received	297	-	**297**
Revenue from rentals	-	1	**1**
Totals	**297**	**1**	**298**

** Consolidated until 30/6/2013*

1/1–30/9/2012

company	**Minoan Italia S.p.A.**	**Kritiki Filoxenia S.A.**	**The Company Totals**
Minoan Lines Shipping S.A.			
Chartering revenue	144	–	**144**
Other revenue	53	–	**53**
Revenue from rentals	–	1	**1**
Totals	**197**	**1**	**198**

All the above transactions, as referred in notes 18.1 and 18.2, were entered into at arm's length.

18.3 Members of the Board of Directors and management

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

	30/9/2013	**30/9/2012**
Executive Directors	377	378
Non – executive Directors	134	142
management	504	481
Totals	**1,015**	**1,001**

Of the total remunerations above for the current period, an amount of € 60 remains unpaid as at 30/9/2013. In addition, as at 30/9/2013, an amount of € 54 is receivable from one of the members of the Board of Directors, resulting from commercial activities.

19. Adjustments and reclassifications

Applying the amendment of I.A.S. 16 "Tangible Assets", due to the fact that the ships' spare parts are used for more than one fiscal year, from 1/1/2013, as indicated by the standard, they were reclassified from inventory to tangible assets. After having taken into account the opinion of the competent department, the Management indicates that the useful life of the aforementioned category is 5 years.

In addition to the recognition of actuarial gains / (losses) retrospectively from the year 2011 and under the amended I.A.S. 19 "Employee Benefits", the Company's and Group's equity was increased on 1/1/2012 by € 26 and on 1/1/2013 presented a cumulative increase of € 5 while through the reformation of the financial results on 31/12/2012 a corresponding reduction of € 7 occurred. Respectively, the account of "Provision for employee benefits" recorded a reduction of € 26 on 1/1/2012 and an increase of € 2 on 1/1/2013.

20. Contingent liabilities

(amounts of note 20 are presented in millions €)

The contingent liabilities are the following:

(a) A court order was issued whereby the Company was imposed to pay an amount of € 0.8. The nature of the contingent liability is commercial (claim for damages by a former port agent of the Company). The Company has not established any provision against this liability as the Company has filed for appeal, the outcome of which is still outstanding, and estimating that will be fully justified.

(b) 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 € 0.5. The Company believes that it has no liability and intends to appeal against those decisions and acts, estimating that will be fully justified thus no relevant provision has been established.

(c) There is existence of pending lawsuits amounting to € 1.1 and pertain to V.A.T differences between financial years 1998-2005 arising from regular tax audit in parent company concluded in 2006. The company has been vindicated by the Council of State for comparable VAT differences in previous financial years before 1998. In fact the company was acquitted for three of the aforesaid cases by First Instance Court and the Greek State did not take any further legal action .The legal department of the company assesses that there will be vindication for the aforementioned legal cases in total, thus no relevant provision has been formed.

(d) On 30/11/2012, the Company received notification from the company A.N.E.K. S.A. that the latter appealed against arbitration before the London Maritime Arbitration Association. The arbitration alleges claims against the Company by the contract of selling shares of Hellenic Seaways Shipping S.A, dated 18/5/2009. After completion of the selection of the arbitrators, A.N.E.K. S.A. tabled in June 2013 a Claim Submission for this arbitration proceeding against the Company which shall deliver its demands. Specifically, A.N.E.K. S.A invokes alleged loss on behalf of the Company termination / cancellation of the above memorandum of sale of shares. It is noted that the Company was forced to withdraw from the agreement because of A.N.E.K. S.A being unable to pay the balance of the agreed amount. Subsequently, the Company withheld as clearly stated in a special clause of the relevant agreement, the deposited amount of € 47.5. A.N.E.K. S.A. is requesting the payment of twice the amount given as deposit or alternatively the same amount or further alternatively whichever amount is deemed reasonable by the Arbitration Court to be withhold by the seller. Furthermore, A.N.E.K. S.A. is not only requesting the legitimate interest on the amount to be awarded but also its legal expenses. The arbitration procedure is in progress. The Company acted in accordance with what was explicitly committed by the parties at the completion of the private agreement. Furthermore, the legal advisors of the Company consider that A.N.E.K. S.A. claim submission will be dismissed thus would not have any impact on the Company. Hence, no relevant provision has been formed.

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

company	Unaudited tax years
Minoan Lines Shipping S.A.	2006 – 2013
Minoan Italia S.p.A.	2009 – 2013
*Kritiki Filoxenia S.A.**	*2007 – 2013*
*Athina A.V.E.E.**	*2007 – 2013*

* Consolidated until 30/6/2013

The Company has not been audited by the tax authorities for the financial years 2006 to 2010. Respective subsidiaries Kritiki Filoxenia S.A. and Athina A.V.E.E. have not been audited by the tax authorities for the years 2007 to 2010 while the Italian subsidiary Minoan Italia S.p.A. has not been checked for the years 2009 to 2013. During these checks, the management of the Company believes that no additional taxes and surcharges will be imposed and therefore no provision has been established.

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

(amounts in thousands of €)

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.
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 by the auditing company Deloitte with unqualified opinion, while no substantial adjustments with respect to the tax expense and corresponding tax provision as reflected in the Annual Financial Statements for 2011, have arisen.
For 2012 the tax audit process for the parent and the Group companies Kririki Filoxenia S.A. and Athina A.V.E.E. was performed by the auditing firm PricewaterhouseCoopers S.A. Upon completion of the tax audit, a “Tax Compliance Certificate” was issued, while no further tax obligations, except those presented in the consolidated annual financial statements, were raised.

21. Subsequent events

On November 15th, 2013 the share capital increase of the Company through cash payment and pre-emption rights to existing shareholders resolved by the Annual General Assembly on June 21st, 2013, was completed (note 15). The coverage of the share capital increase reached 100%. The Company’s Board of Directors at their assembly on November 15th, 2013 certified the full coverage of the increase and issuance of new capital of €50,535. Therefore, the new total share capital of the Company amounts to € 210,118 split into 93,385,900 ordinary shares at a nominal value 2.25 € each.

There are no other 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 26th 2013

The Vice – Chairman of the B.o.D.	The Managing Director	The Accounting Manager	The Head Accountant
Hatzakis Michail Pass. Nr AH 4939797	Maniadakis Antonios ID.C. Nr AI 944699	Manolakis Isidoros ID.C. Nr AE 961838	Avgoustakis Georgios ID.C. Nr AB 478295 L. Nr H.E.C. 0051530 A' Class

MINOAN LINES
SHIPPING SOCIETE ANONYME

Company's Nr in the General Electronic Commercial Registry: 77083027000
(former Company's Nr in the S.As. Register 11314 / 06 / B / 86 / 13)
Domicile : 17, 25th August Str. 71202 - Heraklion Crete

NOTES AND INFORMATION for the period ended September 30th, 2013 (1/1 – 30/9/2013)
In accordance with the decision 4 / 507 / 28.4.2009 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. Therefore, we recommend the users of the financial data and information, before making any investment decision or proceeding to any transaction with the Company or the Group, to obtain the necessary information from the website, where the stand-alone and consolidated financial statements, prepared in accordance with International Financial Reporting Standards as adopted by the E.U., are available together with the auditors' report, when required.

(Amounts in Thousand €)

COMPANY'S INFORMATION

Web site address:	www.minoan.gr
Date of the financial statements approval by the Board of Directors :	November 26th, 2013
Certified Auditor Accountant:	Michalatos Konstantinos Reg. No. ICPA (GR) 17701
Audit Firm:	PricewaterhouseCoopers S.A. Reg. No. ICPA (GR) 113
Type of auditor's report:	Not Required

STATEMENT OF CHANGES IN EQUITY

	The Group		The Company	
	30/9/2013	30/9/2012	30/9/2013	30/9/2012
Total equity (1/1/2013 and 1/1/2012 respectively)	176,351	227,654	173,408	226,593
Restatement due to change of accounting standard	–	26	–	26
Proceeds against forthcoming share capital increase	38,500	–	38,500	–
Costs of forthcoming share capital increase	-755	–	-755	–
(Loss) of the period after taxes (A)	-5,286	-19,945	-8,286	-20,430
Other comprehensive income after taxes (B)	–	–	–	–
Total comprehensive income after taxes (A) + (B)	-5,286	-19,945	-8,286	-20,430
Total equity at the end of the period (30/9/2013 and 30/9/2012 respectively)	208,810	207,735	202,867	206,189

STATEMENT OF FINANCIAL POSITION

ASSETS	The Group 30/9/2013	The Group 31/12/2012 Restated	The Company 30/9/2013	The Company 31/12/2012 Restated
Property, plant and equipment	400,800	408,011	240,208	243,273
Intangible assets	274	334	274	334
Investment property	1,350	5,938	1,350	1,381
Investments in subsidiaries	–	–	167,344	170,548
Available for sale financial asstes	57,573	57,573	57,573	57,573
Other non - current assets	13,657	12,917	13,657	12,917
Inventories	3,418	6,596	3,418	6,596
Trade receivables	38,264	36,452	38,144	36,391
Other current assets	16,717	25,005	14,019	24,132
Non - current assets held for sale	4,556	–	3,271	–
TOTAL ASSETS	536,609	552,826	539,258	553,145
EQUITY AND LIABILITIES				
Share Capital	159,584	159,584	159,584	159,584
Proceeds against forthcoming share capital increase	38,500	–	38,500	–
Retained Earnings and other Reserves	10,726	16,767	4,783	13,824
Total Shareholders Equity (a)	208,810	176,351	202,867	173,408
Non-controlling interests (b)	–	–	–	–
TOTAL EQUITY (c) = (a) + (b)	208,810	176,351	202,867	173,408
Long-term borrowings	221,237	–	221,237	–
Provisions / other long - term liabilities	5,946	6,078	5,786	5,840
Bank overdrafts and current portion of long term borrowings	21,259	267,822	21,259	267,822
Other current liabilities	78,697	102,575	87,609	106,075
Liabilities related to non-current assets held for sale	660	–	500	–
TOTAL LIABILITIES (d)	327,799	376,475	336,391	379,737
TOTAL EQUITY AND LIABILITIES (c) + (d)	536,609	552,826	539,258	553,145

STATEMENT OF CASH FLOWS

	The Group		The Company	
	30/9/2013	30/9/2012	30/9/2013	30/9/2012
Cash flows from operating activities				
(Loss) of the period before taxes	-5,106	-19,942	-8,286	-20,430
Plus / (Less) adjustments for :				
Net depreciation and amortization	11,459	10,572	7,313	9,562
Provisions	270	156	270	156
Net foreign exchange [losses]	2	4	2	4
[(Income), (gains) / Expenses, losses] from investing activities	-1	3	-298	-87
Interest and other financial expenses	5,979	7,699	5,979	7,699
Plus / (Less) adjustments for changes in working capital or operating activities				
Decrease in inventories	161	3,811	161	3,811
(Increase) / Decrease in trade and other receivables	-3,534	471	-2,433	518
(Decrease) / Increase in liabilities (other than borrowings)	-24,063	7,091	-18,570	8,375
(Less):				
Interest and related expenses paid	-5,622	-7,551	-5,622	-7,551
Income tax paid	-18	-20	–	–
Net cash (used in) / generated by operating activities (a)	-20,473	2,294	-21,484	2,057
Cash flows from investing activities				
Participation in share capital increases of subsidiaries	–	–	-68	–
Purchase of tangible and intangible assets	-1,697	-3,894	-1,697	-3,894
Proceeds from property, plant and equipment disposal	414	8	414	8
Advances on sales of non - current assets held for sale	500	–	500	–
Dividends received	–	–	297	–
Net cash (used in) investing activities (b)	-783	-3,886	-554	-3,886
Cash flows from financing activities				
Net proceeds from share capital increase under development	37,745	–	37,745	–
Repayment of long / short term borrowings	-25,457	-16,796	-25,457	-16,796
Dividends paid	-91	-2	-91	-2
Net Cash generated by / (used in) financing activities (c)	12,197	-16,798	12,197	-16,798
Net (decrease) in cash and and cash equivalents (a) + (b) + (c)	-9,059	-18,390	-9,841	-18,627
Cash and cash equivalents at the beginning of the period	19,654	20,495	19,509	20,260
Cash and cash equivalents at the end of the period	10,595	2,105	9,668	1,633

STATEMENT OF COMPREHENSIVE INCOME

	The Group				The Company			
	1/1–30/9/2013	1/1–30/9/2012	1/7–30/9/2013	1/7–30/9/2012	1/1–30/9/2013	1/1–30/9/2012	1/7–30/9/2013	1/7–30/9/2012
Revenue	127,098	121,330	56,603	53,825	119,307	119,601	53,992	52,146
Gross Profit / (Loss)	13,766	971	10,212	8,239	10,121	252	8,983	7,570
Operating (Loss) before tax, financing and investing costs	827	-12,306	5,522	3,325	-2,645	-12,789	4,324	2,829
Profit / (Loss) before taxes	-5,106	-19,942	3,751	1,064	-8,286	-20,430	2,550	563
Profit / (Loss) of the period after taxes (A)	-5,286	-19,945	3,689	1,062	-8,286	-20,430	2,550	563
-Equity holders of the parent	-5,286	-19,945	3,689	1,062	-8,286	-20,430	2,550	563
-Non-controlling interests	–	–	–	–	–	–	–	–
Other comprehensive income after taxes (B)	–	–	–	–	–	–	–	–
Total comprehensive income after taxes (A) + (B)	-5,286	-19,945	3,689	1,062	-8,286	-20,430	2,550	563
-Equity holders of the parent company	-5,286	-19,945	3,689	1,062	-8,286	-20,430	2,550	563
-Non-controlling interests	–	–	–	–	–	–	–	–
-Basic Profit / (Loss) of the period per share after taxes (in €)	-0.0745	-0.2812	0.0520	0.0150	-0.1168	-0.2880	0.0360	0.0079
Operating Profit / (Loss) of the period before taxes, depreciation, financing and investing costs	12,287	-1,733	9,355	6,651	4,668	-3,226	6,775	5,146

NOTES AND INFORMATION

1. The amounts are presented in thousands of € unless explicitly stated otherwise. Any last digit discrepancies are due to rounding of the figures.
2. The companies that are included in the above stated financial statements with their locations, the Group interest and the consolidation method are presented in note 1 of the condensed interim financial statements.
3. 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, 2013 participated in the share capital of the Company with 92.46% (call option of 4.11% included).
4. The unaudited tax years of the Company and of the companies of the Group are analyzed in note 20 of the condensed interim financial statements.
5. Due to the amendment of I.A.S. 19, corresponding adjustments on items from previous years have been implemented. Moreover, due to the amendment of I.A.S. 16 certain reclassifications of funds have been performed. Further information on the issue has been included on note 19 of the condensed interim financial statements. The Company entered into a restatement of certain financial figures of 31/12/2012 according to I.A.S. 8 ("Error Correction"). These restated financial figures are presented in the condensed interim financial statements of the period 1/1–30/6/2013. Otherwise, all significant accounting policies of the financial statements of 31/12/2012 have been met.
6. For securing the long-term debt, first preferred mortgages have been registered on the vessels of the above stated financial statements amounting to € 375,000 thousand and have been pledged the shares of the subsidiary company "Minoan Italia S.p.A." Furthermore, for the short-term borrowings first preferred mortgages have been registered on two of the Company's properties.
7. There are no outstanding disputes in the courts or any arbitration against the Company and the companies of the Group, 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	13,651	13,651
Provisions for unaudited tax years	–	–
Other provisions	83	83

8. The number of the personnel employed by the Group at the year ended 30/9/2013 and 30/9/2012 was 386 and 390, respectively.
9. Basic earnings per share were calculated based on the weighted average number of shares outstanding.
10. The Annual General Shareholders' Assembly of the Company of the 21st June 2013 resolved on the increase of the share capital of the Company up to the amount of € 50,535 through payment in cash with the issue of up to 22,459,900 registered shares of nominal value of € 2.25 each which will be allocated to the shareholders of the Company through the exercise of their pre-emption right at a ratio of 19 new shares to 60 existing shares at par value. To the share capital increase as provided in the Annual General Meeting 21/6/2013, the major shareholder "GRIMALDI COMPAGNIA DI NAVIGAZIONE S.p.A." proceeded on 25/6/2013 to the payment of € 38,500 (note 15 of the condensed interim financial statements).
11. 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	6,902	7,200
b) Outflows	25,179	25,164
c) Receivables	1	1
d) Payables	40,504	49,807
e) Transactions and compensations of directors and members of B.o.D.	1,015	1,015
f) Receivables from directors and members of B.o.D.	54	54
g) Payables to directors and members of B.o.D.	60	60

Heraklion, November 26th 2013

The Vice – Chairman of the B.o.D.	The Managing Director	The Accounting Manager	The Head Accountant
Hatzakis Michail	Maniadakis Antonios	Manolakis Isidoros	Avgoustakis Georgios
Pass. Nr AH 4939797	ID.C. Nr AI 944699	ID.C. Nr AE 961838	ID.C. Nr AB 478295
			L. Nr H.E.C. 0051530 A' Class