



MINOAN LINES SHIPPING S.A.

condensed interim Company stand-alone and consolidated financial statements for the period ended March 31st 2013 (1/1 – 31/3/2013)

**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 May 24th 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.

Review on the financial results for the first quarter of 2013

Financial Results

The Group's revenue for the first quarter of 2013 stood at € 30,332.78 compared to € 31,635.40 in the corresponding period of 2012, while the operating result (E.B.I.T.D.A.) was shaped at € 183.95 profit in comparison to € -6,763.84 losses in 2012, presenting an improvement of € 6,947.79. The Group's net results for the first quarter of the year amounted to € -5,777.42 against € -13,244.10 in 2012, recording a significant decrease in losses of € 7,466.68.

The Company, in order to cope with the ongoing financial crisis has implemented in recent years a series of measures trying to reduce its total expenditure. Specifically, apart from reducing the various items of operating expenses, has adopted policies to reduce fuel cost, which in recent years is recorded to be more than 55% of the Company's total cost of sales. During the completion of the last fiscal year, the Company proceeded to the upgrade of the propellers' system on both vessels operating on the domestic route of Heraklion – Piraeus, as well as the silicon painting on the vessels' hull.

At the same time, the Company trying to increase the utilization rates of its vessels while further reducing the fuel cost, advanced to the restructuring of its itineraries. The above measures, helped not only on the fuel expenditure restrain but also to the noteworthy improvement of the first quarter's financial results. Therefore, early results show that the abovementioned actions seem effective, while the Company is moving on the right track.

Moreover, the Company retains its consistency on the repayment schedule of its bond loan obligations.

Traffic Volumes

It is noted that the ferry shipping sector is largely affected by seasonality with the first quarter being traditionally the least productive in terms of passenger traffic recorded. Moreover, the aggravation of the financial crisis led to a vast reduction of the citizens' disposable income, being another factor affecting traffic volumes.

Adriatic Market

At the beginning of December 2012, the Company launched an additional call at the port of Trieste, on the existing Patras – Igoumenitsa – Ancona route. The up to date traffic results show promising. Despite the economic downturns, during the first quarter of 2013, in the Patras – Igoumenitsa – Ancona – Trieste route, the Company carried 39,445 passengers, 8,897 private cars and 18,714 freight units.

Domestic Market

On the route Heraklion – Piraeus, the Company retained its leading position during the three month period of 2013 while it improved significantly its market share in the trucks category compared to the respective period of 2012. In total, the Company carried 129,102 passengers, 12,443 private cars and 13,197 freight units.

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

	Note	The Group		The Company	
		1/1 – 31/3/2013	1/1 – 31/3/2012	1/1 – 31/3/2013	1/1 – 31/3/2012
Revenue	5	30,332.78	31,635.40	27,757.44	31,610.02
Cost of sales	6	-30,441.98	-37,862.26	-29,059.59	-37,862.26
Gross (Loss)		-109.20	-6,226.86	-1,302.15	-6,252.24
Other operating income		235.82	32.24	236.28	32.68
Selling expenses		-2,443.81	-2,509.76	-2,422.21	-2,509.76
Administrative expenses		-1,304.28	-1,669.51	-1,270.17	-1,661.07
Other operating expenses		-5.98	-9.79	-5.98	-9.79
Operating (loss) before financing costs		-3,627.45	-10,383.68	-4,764.24	-10,400.18
Finance income		16.87	34.48	15.88	34.38
Finance expense		-2,104.10	-2,890.23	-2,104.10	-2,890.23
Net finance results		-2,087.23	-2,855.75	-2,088.22	-2,855.84
(Loss) before taxes		-5,714.69	-13,239.43	-6,852.46	-13,256.02
Income tax	7	-62.73	-4.68	-	-
(Loss) of the period after taxes (A)		-5,777.42	-13,244.10	-6,852.46	-13,256.02
Other comprehensive income (B)		-	-	-	-
Total comprehensive income after taxes (A) + (B)		-5,777.42	-13,244.10	-6,852.46	-13,256.02
The (Loss) of the period is attributable to :					
Owners of the parent company		-5,777.42	-13,244.10	-6,852.46	-13,256.02
Non-controlling interests		-	-	-	-
(Loss) of the period after taxes		-5,777.42	-13,244.10	-6,852.46	-13,256.02
The total comprehensive income is attributable to :					
Owners of the parent company		-5,777.42	-13,244.10	-6,852.46	-13,256.02
Non-controlling interests		-	-	-	-
Total comprehensive income after taxes		-5,777.42	-13,244.10	-6,852.46	-13,256.02
Basic and Diluted (Loss) of the period per Share after Taxes (in €)	8	-0.0815	-0.1867	-0.0966	-0.1869

The accompanying notes on pages 7 – 16 are an integral part of the condensed interim financial statements.

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	The Group		The Company	
		31/3/2013	31/12/2012 *	31/3/2013	31/12/2012 *
Assets					
Non – current assets					
Property, plant and equipment **	9 & 17	407,472.61	408,011.30	244,116.61	243,273.22
Intangible assets	9	300.20	333.80	300.20	333.80
Investment property	10	5,927.22	5,937.52	1,370.54	1,380.84
Investments in subsidiaries	11	-	-	170,547.69	170,547.69
Available for sale financial assets	12	57,572.55	57,572.55	57,572.55	57,572.55
Other long term assets		12,917.43	12,917.43	12,917.43	12,917.43
Total non – current assets		484,190.01	484,772.60	486,825.02	486,025.53
Current assets					
Inventories **	17	3,829.51	6,595.62	3,829.51	6,595.62
Trade and other receivables		40,645.46	36,452.47	40,602.99	36,390.95
Other current assets		7,740.62	5,351.18	6,619.27	4,622.87
Cash and cash equivalents	13	2,741.54	19,653.75	1,907.44	19,509.01
Total current assets		54,957.14	68,053.03	52,959.22	67,118.46
Total Assets		539,147.15	552,825.63	539,784.24	553,143.98
Equity and liabilities					
Equity					
Share capital		159,583.50	159,583.50	159,583.50	159,583.50
Share premium		26,942.58	26,942.58	26,942.58	26,942.58
Fair value reserves		-20,000.00	-20,000.00	-20,000.00	-20,000.00
Other reserves		59,918.45	59,918.45	59,916.80	59,916.80
Retained earnings	17	-55,871.15	-50,093.72	-59,888.22	-53,035.76
Total equity attributable to equity holders of the parent company		170,573.37	176,350.80	166,554.66	173,407.11
Non-controlling interests		-	-	-	-
Total equity		170,573.37	176,350.80	166,554.66	173,407.11
Non – current liabilities					
Loans	14	226,699.60	-	226,699.60	-
Deferred tax liabilities		268.20	238.43	-	-
Retirement benefit obligations	17	1,741.93	1,726.50	1,741.93	1,726.50
Deferred government grants		3,981.52	4,029.87	3,981.52	4,029.87
Other provisions		83.14	83.14	83.14	83.14
Total non – current liabilities		232,774.40	6,077.94	232,506.20	5,839.51
Current liabilities					
Bank overdrafts		11,712.00	24,896.38	11,712.00	24,896.38
Loans – current portion of long term loans	14	16,258.69	242,925.75	16,258.69	242,925.75
Trade and other payables		107,828.69	102,574.76	112,752.70	106,075.23
Total current liabilities		135,799.38	370,396.89	140,723.39	373,897.36
Total liabilities		368,573.78	376,474.83	373,229.58	379,736.87
Total Equity and liabilities		539,147.15	552,825.63	539,784.24	553,143.98

The accompanying notes on pages 7 – 16 are an integral part of the condensed interim financial statements.

* Readjusted values as of 31/12/2012 due to the amendment of I.A.S. 19 “Employee Benefits” (Note 17).

** Reclassifications due to the amendment of I.A.S. 16 (Note 17).

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

	<u>Share capital</u>	<u>Share premium</u>	<u>Fair value reserves</u>	<u>Other reserves</u>	<u>Retained earnings</u>	<u>Total equity</u>
Balance as at 1/1/2012	159,583.50	26,942.58	-	59,916.80	-19,850.56	226,592.31
Restatement due to change of accounting standard *					25.87	25.87
<u>Changes in equity 1/1 – 31/3/2012</u>						
Loss of the period after taxes (A)					-13,256.02	-13,256.02
Other comprehensive income (B)					-	-
Total comprehensive income after tax (A) + (B)					-13,256.02	-13,256.02
Balance as at 31/3/2012	159,583.50	26,942.58	-	59,916.80	-33,080.71	213,362.16
Balance as at 1/1/2013	159,583.50	26,942.58	-20,000.00	59,916.80	-53,035.76	173,407.11
<u>Changes in equity 1/1 – 31/3/2013</u>						
Loss of the period after taxes (A)					-6,852.46	-6,852.46
Other comprehensive income (B)					-	-
Total comprehensive income after tax (A) + (B)					-6,852.46	-6,852.46
Balance as at 31/3/2013	159,583.50	26,942.58	-20,000.00	59,916.80	-59,888.22	166,554.66

The accompanying notes on pages 7 – 16 are an integral part of the condensed interim financial statements.

* Restatement due to the amendment of I.A.S. 19 “Employee Benefits” (Note 17).

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributed to owners of the parent company					Total shareholders equity	Non- controlling interest	Total equity
	<u>Share capital</u>	<u>Share premium</u>	<u>Fair value reserves</u>	<u>Other reserves</u>	<u>Retained earnings</u>			
Balance as at 1/1/2012	159,583.50	26,942.58	-	59,918.45	-18,790.85	227,653.67	-	227,653.67
Restatement due to change of accounting standard *					25.87	25.87		25.87
<u>Changes in equity 1/1 – 31/3/2012</u>								
Loss of the period after taxes (A)					-13,244.10	-13,244.10	-	-13,244.10
Other comprehensive income (B)					-	-	-	-
Total comprehensive income after tax (A) + (B)					-13,244.10	-13,244.10	-	-13,244.10
Balance as at 31/3/2012	159,583.50	26,942.58	-	59,918.45	-32,009.09	214,435.43	-	214,435.43
Balance as at 1/1/2013	159,583.50	26,942.58	-20,000.00	59,918.45	-50,093.72	176,350.80	-	176,350.80
<u>Changes in equity 1/1 – 31/3/2013</u>								
Loss of the period after taxes (A)					-5,777.42	-5,777.42	-	-5,777.42
Other comprehensive income (B)					-	-	-	-
Total comprehensive income after tax (A) + (B)					-5,777.42	-5,777.42	-	-5,777.42
Balance as at 31/3/2013	159,583.50	26,942.58	-20,000.00	59,918.45	-55,871.15	170,573.37	-	170,573.37

The accompanying notes on pages 7 – 16 are an integral part of the condensed interim financial statements.

* Restatement due to the amendment of I.A.S. 19 “Employee Benefits” (Note 17).

CONDENSED INTERIM STATEMENT OF CASH FLOWS

	<u>The Group</u>		<u>The Company</u>	
	<u>1/1 – 31/3/2013</u>	<u>1/1 – 31/3/2012</u>	<u>1/1 – 31/3/2013</u>	<u>1/1 – 31/3/2012</u>
<u>Cash flows from operating activities</u>				
(Loss) before taxes	-5,714.69	-13,239.43	-6,852.46	-13,256.02
<i>Adjustments for:</i>				
Depreciation and amortization	3,811.40	3,619.84	2,429.32	3,619.84
Provisions	37.95	65.83	37.95	65.83
Net foreign exchange	29.47	3.46	29.47	3.46
[(Income), (gains)] from investing activities	-0.68	-1.47	-0.68	-1.47
Interest and other financial expenses	2,104.10	2,890.23	2,104.10	2,890.23
<i>Adjustments for changes in working capital or operating activities</i>				
(Increase) in inventories	-250.87	-642.21	-250.87	-642.21
(Increase) in trade and other receivables	-6,584.16	-5,806.11	-6,210.18	-5,787.07
Increase in liabilities other than borrowings	4,162.97	10,823.71	5,619.47	10,825.47
<i>Less :</i>				
Interest and related expenses paid	-1,065.15	-2,813.79	-1,065.15	-2,813.79
Net cash flow (used in) operating activities (a)	-3,469.67	-5,099.94	-4,159.03	-5,095.74
<u>Cash flows from investing activities</u>				
Purchase of property, plant and equipment	-671.62	-37.40	-671.62	-37.40
Advances from disposal of other investments	413.46	8.00	413.46	8.00
Net cash flow (used in) investing activities (b)	-258.16	-29.40	-258.16	-29.40
<u>Cash flows from financing activities</u>				
Repayment of long/short term borrowings	-13,184.38	-10,839.20	-13,184.38	-10,839.20
Dividends paid	-	-0.03	-	-0.03
Net cash flow (used in) financing activities (c)	-13,184.38	-10,839.23	-13,184.38	-10,839.23
Net (Decrease) in cash and cash equivalents (a) + (b) + (c)	-16,912.21	-15,968.57	-17,601.57	-15,964.37
Cash and cash equivalents at the beginning of the period	19,653.75	20,495.23	19,509.01	20,260.24
Cash and cash equivalents at the end of the period	2,741.54	4,526.66	1,907.44	4,295.87

The accompanying notes on pages 7 – 16 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 March 31st 2013 (1/1 – 31/3/2013)

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 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 31/3/2013 and 31/3/2012 was 353 and 457, 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 31/3/2013 was 70,926,000, while the total market capitalization reached € 141,852.00. 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 19th 2009. On March 31st 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 31/3/2013, which were approved by the Board of Directors meeting on May 24th 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:

<u>company</u>	<u>Consolidation Method</u>	<u>Headquarters</u>	<u>% Interest</u>	
			<u>2013</u>	<u>2012</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%

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 (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 2012.

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 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 31/3/2013, 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 IFRS amendments in the financial statements. In any such case, unless otherwise stated, the Group considers that the following amendments have no or insignificant effect to the interim condensed financial statements.

Standards and Interpretations effective for the current financial year

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.Ss. 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.Ss. 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.

I.F.R.I.C. 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. I.F.R.I.C. 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.Ss 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 E.U. Only once approved will the Group decide if I.F.R.S. 9 will be adopted prior to 1 January 2015.

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.Ss 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.Ss 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)

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 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 the Annual Financial Statements on 31/12/2012.

5. Revenue

The reduction depicted in the sales revenue compared to the corresponding period of 2012, is mainly due to the restriction of the Company's itineraries by 17% in all lines operated. Specifically, the Company's domestic routes recorded a drop of 3% while the corresponding number of trips in the Adriatic market was reduced by 29% in comparison with the 3 month period of 2012. Moreover, the aggravation of the financial crisis led to a vast reduction of the citizens' disposable income, being another factor affecting traffic volumes and, by extension, the sales revenue.

6. Cost of sales

The reduction of the cost of sales is primarily due to the significant constraint in the fuel cost (- 35.4%). The so called constraint is attributed to the reduction of the number of trips performed by the Company, while it is largely affected by the significant drop of the fuel consumption which is a result of the series of measures taken by the Board; 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 application of slow steaming strategy in all Company's vessels.

7. Income tax

	<u>The Group</u>		<u>The Company</u>	
	<u>31/3/2013</u>	<u>31/3/2012</u>	<u>31/3/2013</u>	<u>31/3/2012</u>
Deferred tax	29.77	-	-	-
Income tax provision for the period ended	32.96	4.68	-	-
Totals	62.73	4.68	-	-

8. Earnings per share

	<u>The Group</u>		<u>The Company</u>	
	<u>31/3/2013</u>	<u>31/3/2012</u>	<u>31/3/2013</u>	<u>31/3/2012</u>
Loss of the period attributable to shareholders of the parent company	-5,777.42	-13,244.10	-6,852.46	-13,256.02
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 €)	-0.0815	-0.1867	-0.0966	-0.1869

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.

9. 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 1/1/2012	1,797.91	5,778.14	144.61	523,351.79	3,156.68	2,949.29	537,178.42
Acquisitions and additions 1/1 – 31/12/2012	312.48	671.68	-	4,185.43	73.04	78.70	5,321.31
Less / (plus) : Disposals – Transfers -Write offs 1/1 – 31/12/2012	-	-	106.69	123.46	76.47	-14.79	291.83
Costs at 31/12/2012	2,110.39	6,449.82	37.92	527,413.75	3,153.25	3,042.78	542,207.90
Cost at 1/1/2013	2,110.39	6,449.82	37.92	527,413.75	3,153.25	3,042.78	542,207.90
Acquisitions and additions 1/1 – 31/3/2013	-	-	-	659.89	11.73	-	671.62
Less / (plus) : Disposals – Transfers -Write offs 1/1 – 31/3/2013 *	-	-	30.32	-2,610.70	-	-	-2,580.38
Costs at 31/3/2013 *	2,110.39	6,449.82	7.60	530,684.35	3,164.97	3,042.78	545,459.90
Accumulated Depreciation at 1/1/2012	-	1,847.44	122.74	112,656.52	2,533.03	2,549.36	119,709.09
Depreciation for the period 1/1 – 31/12/2012	-	243.90	5.46	13,803.03	224.21	145.64	14,422.24
Less / (plus) : Disposed / Transferred assets accumulated depreciation 1/1 – 31/12/2012	-	-	99.46	111.03	72.01	-13.98	268.52
Accumulated Depreciation at 31/12/2012	-	2,091.34	28.74	126,348.52	2,685.23	2,708.98	133,862.81
Accumulated Depreciation at 1/1/2013	-	2,091.34	28.74	126,348.52	2,685.23	2,708.98	133,862.81
Depreciation for the period 1/1 – 31/3/2013	-	65.32	0.83	3,694.39	55.32	33.60	3,849.45
Less / (plus) : Disposed / Transferred assets accumulated depreciation 1/1 – 31/3/2013	-	-	25.17	-	-	-	25.17
Accumulated Depreciation at 31/3/2013	-	2,156.66	4.41	130,042.91	2,740.55	2,742.58	137,687.10

Net book value at :							
	1/1/2012	3,930.70	21.87	410,695.27	623.65	399.93	417,469.33
	31/12/2012	4,358.48	9.18	401,065.23	468.01	333.80	408,345.10
	31/3/2013 *	4,293.16	3.19	400,641.44	424.42	300.20	407,772.81
The Company							
	<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>	<u>Totals</u>
Cost at 1/1/2012	1,797.91	5,778.14	144.61	523,351.79	3,156.68	2,949.29	537,178.42
Acquisitions and additions 1/1 – 31/12/2012	312.48	671.68	-	4,185.43	73.04	78.70	5,321.31
Less / (plus) : Disposals – Transfers -Write offs 1/1 – 31/12/2012	-	-	106.69	213,843.68	76.47	-14.79	214,012.05
Costs at 31/12/2012	2,110.39	6,449.82	37.92	313,693.53	3,153.25	3,042.78	328,487.69
Cost at 1/1/2013	2,110.39	6,449.82	37.92	313,693.53	3,153.25	3,042.78	328,487.69
Acquisitions and additions 1/1 – 31/3/2013	-	-	-	659.89	11.73	-	671.62
Less / (plus) : Disposals – Transfers -Write offs 1/1 – 31/3/2013 *	-	-	30.32	-2,610.70	-	-	-2,580.38
Costs at 31/3/2013 *	2,110.39	6,449.82	7.60	316,964.13	3,164.97	3,042.78	331,739.69
Accumulated Depreciation at 1/1/2012	-	1,847.44	122.74	112,656.52	2,533.03	2,549.36	119,709.09
Depreciation for the period 1/1 – 31/12/2012	-	243.90	5.46	11,406.90	224.21	145.64	12,026.11
Less / (plus) : Disposed / Transferred assets accumulated depreciation 1/1 – 31/12/2012	-	-	99.46	46,697.04	72.01	-13.98	46,854.53
Accumulated Depreciation at 31/12/2012	-	2,091.34	28.74	77,366.38	2,685.23	2,708.98	84,880.67
Accumulated Depreciation at 1/1/2012	-	2,091.34	28.74	77,366.38	2,685.23	2,708.98	84,880.67
Depreciation for the period 1/1 – 31/3/2013	-	65.32	0.83	2,312.30	55.32	33.60	2,467.37
Less / (plus) : Disposed / Transferred assets accumulated depreciation 1/1 – 31/3/2013	-	-	25.17	-	-	-	25.17
Accumulated Depreciation at 31/3/2013	-	2,156.66	4.41	79,678.69	2,740.55	2,742.58	87,322.87
Net book value at :							
	1/1/2012	3,930.70	21.87	410,695.27	623.65	399.93	417,469.33
	31/12/2012	4,358.48	9.18	401,065.23	468.01	333.80	408,345.10
	31/3/2013 *	4,293.16	3.19	400,641.44	424.42	300.20	407,772.81

* Reclassifications due to the amendment of I.A.S. 16 (Note 17).

10. Investment property

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

	<u>The Group</u>			<u>The Company</u>		
	<u>Land</u>	<u>Buildings</u>	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>	<u>Totals</u>
Cost at 1/1/2012	556.84	1,194.80	1,751.64	556.84	1,194.80	1,751.64
Acquisition and additions 1/1 – 31/12/2012	-	-	-	-	-	-
Plus / (less) : Transferred assets 1/1 – 31/12/2012	4,556.68	816.06	5,372.74	-	-	-
Costs at 31/12/2012	5,113.52	2,010.86	7,124.38	556.84	1,194.80	1,751.64
Cost at 1/1/2013	5,113.52	2,010.86	7,124.38	556.84	1,194.80	1,751.64
Acquisition and additions 1/1 – 31/3/2013	-	-	-	-	-	-
Costs at 31/3/2013	5,113.52	2,010.86	7,124.38	556.84	1,194.80	1,751.64
Accumulated Depreciation at 1/1/2012	-	329.60	329.60	-	329.60	329.60
Plus / (less) : Transferred assets accumulated depreciation 1/1 – 31/12/2012	-	816.06	816.06	-	-	-
Depreciation 1/1 – 31/12/2012	-	41.20	41.20	-	41.20	41.20
Accumulated Depreciation at 31/12/2012	-	1,186.86	1,186.86	-	370.80	370.80
Accumulated Depreciation at 1/1/2013	-	1,186.86	1,186.86	-	370.80	370.80
Depreciation 1/1 – 31/3/2013	-	10.30	10.30	-	10.30	10.30
Accumulated Depreciation at 31/3/2013	-	1,197.16	1,197.16	-	381.10	381.10
Net Book Value at 1/1/2012	556.84	865.20	1,422.04	556.84	865.20	1,422.04
Net Book Value at 31/12/2012	5,113.52	824.00	5,937.52	556.84	824.00	1,380.84
Net Book Value at 31/3/2013	5,113.52	813.70	5,927.22	556.84	813.70	1,370.54

11. Investments in subsidiaries

Investments in subsidiaries are as follows:

<u>company</u>	<u>Participation amount</u>	
	<u>31/3/2013</u>	<u>31/12/2012</u>
Kritiki Philoxenia S.A.	3,203.21	3,203.21
Minoan Italia S.p.A.	167,344.48	167,344.48
Totals	170,547.69	170,547.69

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

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.

13. Cash and cash equivalents

	<u>The Group</u>		<u>The Company</u>	
	<u>31/3/2013</u>	<u>31/12/2012</u>	<u>31/3/2013</u>	<u>31/12/2012</u>
Cash on hand	360.67	304.16	360.67	304.16
Cash in banks and time deposits	2,380.87	19,349.59	1,546.77	19,204.85
Totals	2,741.54	19,653.75	1,907.44	19,509.01

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 Company on 31/12/2012 did not meet the criteria of a specific financial ratio of the bond loan agreement, thus and in accordance with IAS 1 proceeded to the classification of all its bank loans as current liabilities. On 02/04/2013, as defined by the relevant loan agreement, the Company proceeded to the distribution of the compliance certificate to the lending banks, stating that no event of default has occurred. Until the day of the publication of the interim financial statements, the lending banks have not yet expressed, as clearly stated by the loan agreement, their disagreement on the compliance certificate by sending to the Company a notice of default. Hence, the Company considers itself absolutely consistent and fully informed as to its loan obligations and reclassified its bond loan under long term liabilities.

The payment schedule of the bond loan agreement on March 31st 2013 is the following:

Within the next year	16,258.69
2-3 years	32,517.37
4-5 years	32,517.37
5 years or more	162,586.84
Totals	243,880.26

In order to secure the aforementioned debt, first preferred mortgages amounting to € 375,000.00 have been registered on the Company's vessels. Moreover, the shares of Minoan Italia S.p.A. have been pledged for an amount of € 165,000.00.

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>Totals</u>
	<u>31/3/2013</u>	<u>Greece routes</u>	<u>Adriatic routes</u>	
Revenue	8,482.02	17,905.40	3,945.36	30,332.78
Gross Profit / (Loss)	-833.30	-483.62	1,207.72	-109.20
Profit / (Loss) before depreciation, taxation, financing and investment costs (E.B.I.T.D.A.)	770.86	-1,081.86	494.96	183.95
Net depreciation	-1,720.86	-7.41	-2,083.14	-3,811.40
(Loss) before taxation, financing and investment costs (E.B.I.T.)	-950.01	-1,089.27	-1,588.18	-3,627.45
Financial income	-	-	16.87	16.87
Financial expense	-505.82	-	-1,598.28	-2,104.10
(Loss) before tax	-1,455.82	-1,089.27	-3,169.60	-5,714.69
Income tax expense	-	-	-62.73	-62.73

(Loss) after tax	-1,455.82	-1,089.27	-3,232.33	-5,777.42
Total Assets	177,499.84	40.97	361,606.34	539,147.15
Total Liabilities	78,821.79	35,988.87	253,763.12	368,573.78
Capital expenditure	487.21	-	184.41	671.62

The Group

	<u>Greece routes</u>	<u>Adriatic routes</u>	<u>Other unallocated items</u>	<u>Totals</u>
31/3/2012				
Revenue	8,883.94	21,539.83	1,211.64	31,635.40
Gross (Loss)	-1,835.92	-3,039.31	-1,351.63	-6,226.86
(Loss) before depreciation, taxation, financing and investment costs (E.B.I.T.D.A.)	-451.80	-3,029.08	-3,282.96	-6,763.84
Net depreciation	-1,540.52	-691.51	-1,387.80	-3,619.84
(Loss) before taxation, financing and investment costs (E.B.I.T.)	-1,992.33	-3,720.59	-4,670.76	-10,383.68
Financial income	-	-	34.48	34.48
Financial expense	-784.98	-323.21	-1,782.04	-2,890.23
(Loss) before tax	-2,777.31	-4,043.80	-6,418.32	-13,239.43
Income tax expense	-	-	-4.68	-4.68
(Loss) after tax	-2,777.31	-4,043.80	-6,423.00	-13,244.10

	<u>31/12/2012 *</u>			
Total Assets	176,886.11	46.37	375,893.14	552,825.63
Total Liabilities *	78,517.77	32,246.00	265,711.06	376,474.83
Capital expenditure	1,414.21	2.64	3,904.46	5,321.31

* Adjusted amounts as of 31/12/2012 due to the amendment of I.A.S. 19 “Employee Benefits” (Note 17).

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.
- 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 March 31st 2013 and December 31st 2012, as well as purchases (services received) and sales (services provided) for the periods 1/1 – 31/3/2013 and 1/1 – 31/3/2012 respectively:

16.1 Group of ultimate parent company

31/3/2013

<u>company</u>	<u>Minoan Lines S.A.</u>				<u>The Company</u>	<u>Minoan Italia S.p.A.</u>		<u>The Group</u>
	<u>Grimaldi Compagnia di Navigazione S.p.A.</u>	<u>Atlantica di Navigazione S.p.A.</u>	<u>Finnlines Plc</u>	<u>Grimaldi Tours</u>	<u>Totals</u>	<u>Grimaldi Compagnia di Navigazione S.p.A.</u>	<u>Totals</u>	
due from	-	800.94	0.85	1.23	803.02	-	803.02	
payable to	35,988.87	28,000.00	-	-	63,988.87	30.93	64,019.80	

31/12/2012

<u>company</u>	<u>Minoan Lines S.A.</u>				<u>The Company</u>
	<u>Grimaldi Compagnia di Navigazione S.p.A.</u>	<u>Atlantica di Navigazione S.p.A.</u>	<u>Finnlines Plc</u>	<u>Grimaldi Tours</u>	<u>Totals</u>
due from	-	-	0.85	-	0.85
payable to	32,312.94	28,654.81	-	13.22	60,980.96

1/1 – 31/3/2013

<u>company</u>	<u>Minoan Lines S.A.</u>		<u>The Company</u>	<u>Minoan Italia S.p.A.</u>	<u>The Group</u>
	<u>Grimaldi</u>		<u>Totals</u>	<u>Grimaldi</u>	<u>Totals</u>
	<u>Compagnia di</u>	<u>Atlantica di</u>		<u>Compagnia di</u>	
	<u>Navigazione</u>	<u>Navigazione</u>		<u>Navigazione</u>	
<u>S.p.A.</u>	<u>S.p.A.</u>		<u>S.p.A.</u>		
Chartering cost	3,167.56	1,528.00	4,695.56	-	4,695.56
Crew wages cost	104.61	15.12	119.74	-	119.74
50% on-board operating result	141.55	62.93	204.48	-	204.48
Bunkers cost	-	208.71	208.71	-	208.71
Other operating cost	-	2.02	2.02	5.00	7.02
Totals	3,413.72	1,816.79	5,230.51	5.00	5,235.51
Chartering revenue	-	1,334.50	1,334.50	-	1,334.50
Bunkers revenue	-	639.60	639.60	-	639.60
Revenue from crew coat reduction of chartered vessels	79.17	27.26	106.43	-	106.43
Other revenue	8.96	200.08	209.04	-	209.04
Totals	88.14	2,201.43	2,289.56	-	2,289.56

1/1– 31/3/2012

<u>company</u>	<u>Minoan Lines S.A.</u>		<u>The Company</u>	
	<u>Grimaldi</u>		<u>Totals</u>	
	<u>Compagnia di</u>	<u>Atlantica di</u>		
	<u>Navigazione</u>	<u>Navigazione</u>		
<u>S.p.A.</u>	<u>S.p.A.</u>			
Chartering cost	1,476.88	-	1,476.88	
Crew wages cost	140.34	-	140.34	
50% on-board operating result	224.35	-	224.35	
Bunkers cost	-	103.80	103.80	
Other operating cost	-	1.79	1.79	
Totals	1,841.57	105.58	1,947.16	
Chartering revenue	-	1,165.35	1,165.35	
Bunkers revenue	183.22	-	183.22	
Other revenue	97.31	-	97.31	
Totals	280.53	1,165.35	1,445.88	

Both on the 31/03/2013 and on 31/12/2012 the company's liability of € 28,000.00 to an ultimate parent company's subsidiary is the advance payment for the sale of the Company's ship under the purchase agreement. The sale is subject to approval by the lending banks.

16.2 Subsidiaries

31/3/2013

<u>company</u>				<u>The Company</u>
	<u>Minoan</u>	<u>Kritiki</u>	<u>Athina</u>	<u>Totals</u>
	<u>Lines</u>	<u>Filoxenia</u>	<u>A.V.E.E.</u>	
<u>S.A.</u>	<u>S.A.</u>			
Minoan Lines S.A. (due from)		59.66	0.58	60.23
Athina A.V.E.E. (due from)	-	50.58	-	50.58
Minoan Italia S.p.A. (due from)	5,439.32	-	-	5,439.32

31/12/2012

<u>company</u>				<u>The Company</u>
	<u>Minoan</u>	<u>Kritiki</u>	<u>Athina</u>	<u>Totals</u>
	<u>Lines</u>	<u>Filoxenia</u>	<u>A.V.E.E.</u>	
<u>S.A.</u>	<u>S.A.</u>			
Minoan Lines S.A. (due from)		59.20	0.08	59.28
Athina A.V.E.E. (due from)	-	48.71	-	48.71
Minoan Italia S.p.A. (due from)	4,084.32	-	-	4,084.32

1/1 – 31/3/2013

<u>company</u>	<u>The Company</u>	
	<u>Kritiki</u>	<u>Totals</u>
	<u>Filoxenia</u>	
	<u>S.A.</u>	
Minoan Lines S.A.		
Revenue from rentals	0.46	0.46
Totals	0.46	0.46

1/1 – 31/3/2012

<u>company</u>	<u>The Company</u>	
	<u>Kritiki Filoxenia S.A.</u>	<u>Totals</u>
Minoan Lines S.A.		
Revenue from rentals	0.44	0.44
Totals	0.44	0.44

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

16.3 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:

	<u>31/3/2013</u>	<u>31/3/2012</u>
Executive Directors	126.30	126.07
Non – executive Directors	47.47	47.47
management	151.38	145.76
Totals	325.16	319.30

Of the total remunerations above for the current period, an amount of € 59.59 remains unpaid as at 31/3/2013. In addition, as at 31/3/2013, an amount of € 71.32 is receivable from one of the members of the Board of Directors, resulting from commercial activities.

17. 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 € 25.87 and on 1/1/2013 presented a cumulative increase of € 4.57 while through the reformation of the financial results on 31/12/2012 a corresponding reduction of € 6.72 occurred. Respectively, the account of "Provision for employee benefits" recorded a reduction of € 25.87 on 1/1/2012 and an increase of € 2.15 on 1/1/2013.

18. Contingent liabilities

There are no changes in contingent liabilities of the Company and the Group to those referred in the Annual Financial Statements of 2012.

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 – 2012
Kritiki Filoxenia S.A.	2007 – 2012
Athina A.V.E.E.	2007 – 2012
Minoan Italia S.p.A.	2009 – 2012

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. According to the relevant legislation, a financial year is 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.

The aforementioned audit for 2012 was performed by PwC S.A. No substantial additional tax liabilities apart from those included and depicted on the Annual Financial Statements for 2012 are expected to arise.

19. 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, May 24th 2013

The Vice – Chairman
of the B.o.D.

Mamalakis
Konstantinos
ID.C. Nr AA 367050

The Managing
Director

Maniadakis
Antonios
ID.C. Nr AI 944699

The Accounting
Manager

Manolakis
Isidoros
ID.C. Nr AE 961838

The Head
Accountant

Avgoustakis
Georgios
ID.C. Nr AB 478295
L. Nr H.E.C. 0051530 A' Class

