



a Grimaldi Group company

MINOAN LINES SHIPPING S.A.

condensed interim Company stand-alone and consolidated financial statements for the period ended September 30th 2015 (1/1–30/9/2015)

**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 16th 2015 and have been published to the electronic address www.minoan.gr. It is noted that the published, in the press, condensed financial data aim to provide the user with general information of the Company's and Group's financial results and position, according to International Financial Reporting Standards.

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The 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.

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

	Note	The Group				The Company			
		1/1–30/9/2015	1/1–30/9/2014	1/7–30/9/2015	1/7–30/9/2014	1/1–30/9/2015	1/1–30/9/2014	1/7–30/9/2015	1/7–30/9/2014
<u>Continuing operations</u>									
Revenue	6	135,584	134,893	56,919	62,123	127,839	127,148	54,308	59,513
Cost of sales	7	-99,600	-115,275	-38,860	-49,068	-95,437	-111,129	-37,460	-47,686
Gross Profit		35,984	19,618	18,059	13,055	32,402	16,019	16,848	11,827
Other operating income		226	239	20	64	226	240	20	64
Selling expenses		-11,237	-9,580	-4,352	-4,006	-11,160	-9,508	-4,325	-3,980
Administrative expenses		-4,048	-4,034	-1,334	-1,327	-4,023	-4,011	-1,325	-1,320
Other operating expenses		-1,242	-248	-8	-43	-1,239	-245	-8	-43
Operating Profit before financing costs		19,683	5,995	12,385	7,743	16,206	2,495	11,210	6,548
Finance income		79	35	27	9	61	22	25	7
Finance expenses		-1,989	-3,686	-596	-1,029	-1,989	-3,686	-596	-1,029
Net finance results		-1,910	-3,651	-569	-1,020	-1,928	-3,664	-571	-1,022
Dividend received	12	–	–	–	–	2,981	2,295	–	–
Profit of the period before taxes		17,773	2,344	11,816	6,723	17,259	1,126	10,639	5,526
Income tax	8	-180	-181	-61	-62	–	–	–	–
Profit of the period after taxes (a)		17,593	2,163	11,755	6,661	17,259	1,126	10,639	5,526
Other comprehensive income of the period after taxes (b)		–	–	–	–	–	–	–	–
Total comprehensive income of the period after taxes (a) + (b)		17,593	2,163	11,755	6,661	17,259	1,126	10,639	5,526
<u>The Profit / (loss) of the period after taxes is attributable to :</u>									
Owners of the parent company		17,593	2,163	11,755	6,661	17,259	1,126	10,639	5,526
Non-controlling Interests		–	–	–	–	–	–	–	–
Profit of the period after taxes (a)		17,593	2,163	11,755	6,661	17,259	1,126	10,639	5,526
<u>The total comprehensive income of the period after taxes is attributable to :</u>									
Owners of the parent		17,593	2,163	11,755	6,661	17,259	1,126	10,639	5,526
Non-controlling interests		–	–	–	–	–	–	–	–
Total comprehensive income of the period after taxes (a) + (b)		17,593	2,163	11,755	6,661	17,259	1,126	10,639	5,526
Basic and Diluted Earnings of the period after taxes per Share after Taxes (in €)	9	0.1645	0.0209	0.1099	0.0623	0.1613	0.0109	0.0994	0.0517

The accompanying notes on pages 6–17 are an integral part of the condensed interim financial statements.

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	The Group		The Company	
		30/9/2015	31/12/2014	30/9/2015	31/12/2014
Assets					
<u>Non-current assets</u>					
Tangible assets	10	373,957	384,336	224,421	230,654
Intangible assets	10	133	217	133	217
Investment property	11	1,268	1,299	1,268	1,299
Investments in subsidiaries	12	–	–	140,343	147,543
Available for sale financial assets	13	50,570	50,570	50,570	50,570
Other long term assets - receivables		17,387	18,085	17,387	18,085
Total non-current assets		443,315	454,507	434,122	448,368
<u>Current assets</u>					
Inventories		2,740	2,308	2,740	2,308
Trade and other receivables		36,564	27,353	41,507	27,669
Other current assets		5,641	4,801	3,172	2,286
Cash and cash equivalents	14	20,902	20,328	18,821	20,220
Total current assets		65,847	54,790	66,240	52,483
Total Assets		509,162	509,297	500,362	500,851
<u>Equity and liabilities</u>					
<u>Equity</u>					
Share capital	15	240,705	240,705	240,705	240,705
Share premium		25,744	25,744	25,744	25,744
Other reserves		60,509	60,352	60,214	60,214
Retained earnings		-67,521	-84,957	-75,597	-92,856
Total Equity attributable to equity holders of the parent		259,437	241,844	251,066	233,807
Non-controlling interests		–	–	–	–
Total equity		259,437	241,844	251,066	233,807
<u>Non-current liabilities</u>					
Loans	16	188,980	194,410	188,980	194,410
Deferred tax liabilities		264	242	–	–
Retirement benefit obligations		1,395	1,362	1,395	1,362
Deferred government grants		3,497	3,643	3,497	3,643
Other provisions		191	189	191	189
Total Non-current liabilities		194,327	199,846	194,063	199,604
<u>Current liabilities</u>					
Bank overdrafts	16	–	8,022	–	8,022
Loans-current portion of long term loans	16	16,259	16,259	16,259	16,259
Income tax obligations		85	40	–	–
Trade and other payables		39,054	43,286	38,974	43,159
Total Current liabilities		55,398	67,607	55,233	67,440
Total liabilities		249,725	267,453	249,296	267,044
Total equity and liabilities		509,162	509,297	500,362	500,851

The accompanying notes on pages 6–17 are an integral part of the condensed interim financial statements.

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

	<u>Share Capital</u>	<u>Share Premium</u>	<u>Other Reserves</u>	<u>Retained Earnings</u>	<u>Total Equity</u>
Balance as at 1/1/2014	210,118	26,171	60,255	-90,740	205,804
Changes in equity 1/1–30/9/2014					
Funds raised from share capital increase	30,587				30,587
Costs of share capital increase		-427			-427
Profit of the period after taxes (a)				1,126	1,126
Other comprehensive income of the period after taxes (b)				–	–
Total comprehensive income of the period after taxes (a) + (b)				<u>1,126</u>	<u>1,126</u>
Balance as at 30/9/2014	<u>240,705</u>	<u>25,744</u>	<u>60,255</u>	<u>-89,614</u>	<u>237,090</u>
Balance as at 1/1/2015	240,705	25,744	60,214	-92,856	233,807
Changes in equity 1/1–30/9/2015					
Profit of the period after taxes (a)				17,259	17,259
Other comprehensive income of the period after taxes (b)				–	–
Total comprehensive income of the period after taxes (a) + (b)				<u>17,259</u>	<u>17,259</u>
Balance as at 30/9/2015	<u>240,705</u>	<u>25,744</u>	<u>60,214</u>	<u>-75,597</u>	<u>251,066</u>

The accompanying notes on pages 6–17 are an integral part of the condensed interim financial statements.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<u>Attributed to owners of the parent company</u>						
	<u>Share Capital</u>	<u>Share Premium</u>	<u>Other Reserves</u>	<u>Retained Earnings</u>	<u>Total Shareholders' Equity</u>	<u>Non-controlling interests</u>	<u>Total Equity</u>
Balance as at 1/1/2014	210,118	26,171	60,272	-84,915	211,646	–	211,646
Changes in equity 1/1–30/9/2014							
Funds raised from share capital increase	30,587				30,587	–	30,587
Costs of share capital increase		-427			-427	–	-427
Transfer between retained earnings and other reserves (ordinary reserve)			121	-121	–	–	–
Profit of the period after taxes (a)				2,163	2,163	–	2,163
Other comprehensive income of the period after taxes (b)				–	–	–	–
Total comprehensive income of the period after taxes (a) + (b)				2,163	2,163	–	2,163
Balance as at 30/9/2014	240,705	25,744	60,393	-82,873	243,969	–	243,969
Balance as at 1/1/2015	240,705	25,744	60,352	-84,957	241,844	–	241,844
Changes in equity 1/1–30/9/2015							
Transfer between retained earnings and other reserves (ordinary reserve)			157	-157	–	–	–
Profit of the period after taxes (a)				17,593	17,593	–	17,593
Other comprehensive income of the period after taxes (b)				–	–	–	–
Total comprehensive income of the period after taxes (a) + (b)				17,593	17,593	–	17,593
Balance as at 30/9/2015	240,705	25,744	60,509	-67,521	259,437	–	259,437

The accompanying notes on pages 6–17 are an integral part of the condensed interim financial statements.

CONDENSED INTERIM STATEMENT OF CASH FLOWS

	Note	The Group		The Company	
		1/1–30/9/2015	1/1–30/9/2014	1/1–30/9/2015	1/1–30/9/2014
<u>Cash Flows from Operating Activities</u>					
Profit of the period before taxes		17,773	2,344	17,259	1,126
plus / (less) adjustments for :					
Net depreciation	10 & 11	11,822	11,602	7,675	7,456
Provisions		1,077	147	1,077	147
Net Foreign Exchange		15	38	15	38
[(Income), (gains)] from other investing activities		–	–	-2,981	-2,295
Interest and other financial expenses		1,989	3,686	1,989	3,686
plus / (less) Adjustments for changes in working capital or operating activities :					
(Increase) / decrease in inventories		-432	478	-432	478
(Increase) / decrease in trade and other receivables		-10,351	-289	-10,396	936
(Decrease) in liabilities other than borrowings		-4,290	-32,752	-4,242	-30,702
(less) :					
Interest and related expenses paid		-1,891	-3,371	-1,891	-3,371
Income taxes paid		-113	-178	–	–
Net cash generated by / (used in) Operating activities (a)		15,599	-18,295	8,073	-22,501
<u>Cash Flows from Investing activities</u>					
Participation in share capital increases of subsidiaries	12	–	–	2,572	–
Purchase of tangible and intangible assets	10	-1,475	-2,460	-1,475	-2,460
Dividends received	12	–	–	2,981	2,295
Net cash (used in) / generated by Investing activities (b)		-1,475	-2,460	4,078	-165
<u>Cash Flows from Financing activities</u>					
Net funds raised from share capital increase		–	30,160	–	30,160
Repayment of long / short term borrowings		-13,550	-18,949	-13,550	-18,949
Dividends paid		–	-31	–	-31
Net cash (used in) / generated by Financing activities (c)		-13,550	11,180	-13,550	11,180
Net Increase / (decrease) in cash and cash equivalents (a) + (b) + (c)		574	-9,575	-1,399	-11,486
Cash and cash equivalents at the beginning of the period		20,328	19,206	20,220	19,124
Cash and cash equivalents at the end of the period	14	20,902	9,631	18,821	7,638

The accompanying notes on pages 6–17 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 2015 (1/1–30/9/2015)

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 30/9/2015 and 30/9/2014 was 420 and 417, respectively. Minoan Lines' shares are listed on the Athens Stock Exchange (code: MINOA). The corresponding code under Reuters is MILR.AT and under Bloomberg is MINOA GA.

The total number of ordinary shares outstanding on 30/9/2015 and on 30/9/2014 was 106,980,050. The weighted average number of shares on 30/9/2015 was 106,980,050 while on 30/9/2014 was 103,245,393. The total market capitalization reached € 213,960. Every share carries one voting right.

From 2008, the majority of the Company's shares are held by “Grimaldi Group S.p.A.” (within the current period the overlying parent company changed its previous name – note 18), 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 30/9/2015, 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 30/9/2015, which were approved by the Board of Directors meeting on November 16th 2015, include the condensed interim Company stand–alone and consolidated financial statements (the “Financial Statements”).

The consolidated financial statements include the Company and its subsidiary (the Group).

The subsidiary that is included in the condensed interim consolidated financial statements and the ownership interests that the parent company holds, directly or indirectly, is outlined in the table below:

<u>company</u>	<u>Consolidation Method</u>	<u>Headquarters</u>	<u>% Interest</u>	
			<u>2015</u>	<u>2014</u>
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 both the Annual Financial Report for the year ended 31/12/2014 and the Interim Financial Report for the period 1/1–30/6/2015.

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 31/12/2014.

3. Significant accounting policies

The significant accounting policies adopted for the preparation of the interim condensed financial statements on 30/9/2015, with the exception of the following changes / additions, are those applied for the preparation of the Annual Financial Statements on 31/12/2014 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

IFRIC 21 “Levies”

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 IAS 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.

Annual Improvements to IFRSs 2013

The amendments set out below describe the key changes to three IFRSs following the publication of the results of the IASB’s 2011–2013 cycle of the annual improvements project.

IFRS 3 “Business combinations”

This amendment clarifies that IFRS 3 does not apply to the accounting for the formation of any joint arrangement under IFRS 11 in the financial statements of the joint arrangement itself.

IFRS 13 “Fair value measurement”

The amendment clarifies that the portfolio exception in IFRS 13 applies to all contracts (including non-financial contracts) within the scope of IAS 39/IFRS 9.

IAS 40 “Investment property”

The standard is amended to clarify that IAS 40 and IFRS 3 are not mutually exclusive.

Standards and Interpretations effective for subsequent periods

IFRS 9 “Financial Instruments” and subsequent amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2018)

IFRS 9 replaces the guidance in IAS 39 which deals with the classification and measurement of financial assets and financial liabilities and it also includes an expected credit losses model that replaces the incurred loss impairment model used today. IFRS 9 establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the current model in IAS 39. The Group is currently investigating the impact of IFRS 9 on its financial statements. The Group cannot currently early adopt IFRS 9 as **it has not yet been endorsed by the EU.**

IFRS 15 “Revenue from Contracts with Customers” (effective for annual periods beginning on or after 1 January 2017)

IFRS 15 has been issued in May 2014. The objective of the standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognised. The underlying principle is that an entity will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The Group is currently investigating the impact of IFRS 15 on its financial statements. **The standard has not yet been endorsed by the EU.**

IAS 19R (Amendment) “Employee Benefits” (effective for annual periods beginning on or after 1 February 2015)

These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans and simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary.

IFRS 11 (Amendment) “Joint Arrangements” (effective for annual periods beginning on or after 1 January 2016)

This amendment requires an investor to apply the principles of business combination accounting when it acquires an interest in a joint operation that constitutes a ‘business’. **This amendment has not yet been endorsed by the EU.**

IAS 16 and IAS 38 (Amendments) “Clarification of Acceptable Methods of Depreciation and Amortisation (effective for annual periods beginning on or after 1 January 2016)

This amendment clarifies that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate and it also clarifies that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. **These amendments have not yet been endorsed by the EU.**

IAS 16 and IAS 41 (Amendments) “Agriculture: Bearer plants” (effective for annual periods beginning on or after 1 January 2016)

These amendments change the financial reporting for bearer plants, such as grape vines and fruit trees. The bearer plants should be accounted for in the same way as self-constructed items of property, plant and equipment.

Consequently, the amendments include them within the scope of IAS 16, instead of IAS 41. The produce growing on bearer plants will remain within the scope of IAS 41. **The amendments have not yet been endorsed by the EU.**

IAS 27 (Amendment) “Separate financial statements” (effective for annual periods beginning on or after 1 January 2016)

This amendment allows entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements and clarifies the definition of separate financial statements. **This amendment has not yet been endorsed by the EU.**

IFRS 10 and IAS 28 (Amendments) “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture” (effective for annual periods beginning on or after 1 January 2016)

These amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. **The amendments have not yet been endorsed by the EU.**

IAS 1 (Amendments) “Disclosure initiative” (effective for annual periods beginning on or after 1 January 2016)

These amendments clarify guidance in IAS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies. **The amendments have not yet been endorsed by the EU.**

IFRS 10, IFRS 12 and IAS 28 (Amendments) “Investment entities: Applying the consolidation exception” (effective for annual periods beginning on or after 1 January 2016)

These amendments clarify the application of the consolidation exception for investment entities and their subsidiaries. **The amendments have not yet been endorsed by the EU.**

Annual Improvements to IFRSs 2012 (effective for annual periods beginning on or after 1 February 2015)

The amendments set out below describe the key changes to certain IFRSs following the publication of the results of the IASB’s 2010–2012 cycle of the annual improvements project.

IFRS 2 “Share-based payment”

The amendment clarifies the definition of a ‘vesting condition’ and separately defines ‘performance condition’ and ‘service condition’.

IFRS 3 “Business combinations”

The amendment clarifies that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity, on the basis of the definitions in IAS 32 “Financial instruments: Presentation”. It also clarifies that all non-equity contingent consideration, both financial and non-financial, is measured at fair value through profit or loss.

IFRS 8 “Operating segments”

The amendment requires disclosure of the judgements made by management in aggregating operating segments.

IFRS 13 “Fair value measurement”

The amendment clarifies that the standard does not remove the ability to measure short-term receivables and payables at invoice amounts in cases where the impact of not discounting is immaterial.

IAS 16 “Property, plant and equipment” and IAS 38 “Intangible assets”

Both standards are amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.

IAS 24 “Related party disclosures”

The standard is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Annual Improvements to IFRSs 2014 (effective for annual periods beginning on or after 1 January 2016)

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

IFRS 5 “Non-current assets held for sale and discontinued operations”

The amendment clarifies that, when an asset (or disposal group) is reclassified from ‘held for sale’ to ‘held for distribution’, or vice versa, this does not constitute a change to a plan of sale or distribution, and does not have to be accounted for as such.

IFRS 7 “Financial instruments: Disclosures”

The amendment adds specific guidance to help management determine whether the terms of an arrangement to service a financial asset which has been transferred constitute continuing involvement and clarifies that the additional disclosure required by the amendments to IFRS 7, ‘Disclosure—Offsetting financial assets and financial liabilities’ is not specifically required for all interim periods, unless required by IAS 34.

IAS 19 “Employee benefits”

The amendment clarifies that, when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important, and not the country where they arise.

IAS 34 “Interim financial reporting”

The amendment clarifies what is meant by the reference in the standard to ‘information disclosed elsewhere in the interim financial report’.

4. Financial risk management

4.1 General

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

- Liquidity
- Credit
- Market conditions

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

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

4.2 Macroeconomic conditions in Greece – Capital controls

The macroeconomic and financial environment in Greece is determined by applying the three-year bailout program amounting to € 86 billion signed on 19/8/2015 between the Greek Government and the European Stability Mechanism (E.S.M.) and by the capital controls imposed on 28/6/2015 and remain in place, which include restrictions affect both domestic transactions and all the trade between the country and foreign countries.

Consequently, residential customers are likely to confront with liquidity issues, restrictions of commercial activities and delays to fulfil their financial obligations. However, it is noted that until the approval date of the condensed interim financial statements of 30/9/2015, there have been no notable effects on both Group’s total revenues from commercial activities and in collection of the receivables.

The Group’s bank debt service is deemed to be absolutely secure, even though the capital controls remain in force, since the revenue from foreign activities attribute a significant proportion of total revenues. Moreover, revenues from abroad are not significantly affected by Greek economy and the developments in banking sector while produce the necessary liquidity to fulfil the foreign financial obligations.

Moreover, even if the currently imposed capital controls remain in force, the whole operations depending on foreign suppliers can be secured either by the provisions of Legislative Act being currently in place or the liquidity derived by foreign activities.

In the political and economic framework as described above, all the Group’s operations continue without any disruption; however Management is not able to accurately predict the likely developments in the Greek economy and their impact on the Group’s operations which is any case expected to be minimum due to the measures that have been taken to protect the Group and the diversification of its activities in domestic and international level.

The Company’s Management monitors and assesses the developments in Greek economy since they affect traffic volumes, clients & suppliers financial capacity while takes all necessary measures so as to secure the smooth and unencumbered operation.

Based on the taken by the Management actions to protect the Group and the launch of the three-year bailout program by the Greek State, any impact in the Group’s activities is estimated to be insignificant.

4.3 Liquidity risk

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

At 30/9/2015 the Group’s cash and cash equivalents amounted to € 20,902 while maintaining credit lines with cooperating banks, which as at 30/9/2015 and 31/12/2014 amounting to € 18,000, of which the unused amounts were €18,000 and € 9,978 respectively. The interest on the credit lines charged is based on the sum of the EURIBOR rate and the banks’ margin and are mainly secured by post-dated cheques. Moreover, a lien has been registered on two of the Company’s properties. Considering of both Group’s available cash and cash equivalents and the unused bank credits balance as of 30/9/2015, the Management is in a position to claim the non-existence of liquidity risk in the foreseeable future.

4.4 Credit risk

The Company's turnover comes from a range of categories like passenger and private vehicles transportation, on board sales (restaurants, bars and shops), transportation of freight units and vessels' chartering. Hence, the Company's customer base is analyzed as follows:

A) Those with professional collaboration such as:

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

B) Individuals-Passengers

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

4.5 Market conditions risk

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

4.6 Interest rate risk

The long-term borrowings of the Company have agreed to be remunerated in a floating interest rate of Euribor plus margin. Therefore, the Company is exposed to interest rate risk since in case of a Euribor increase, the Company shall be incurred with additional interest expenses. The stabilization of the interest rates at very low levels, contributing positively to the reduction of the Company's borrowing costs.

The exposure to the risk of the increase of interest rates is closely monitored and the Company calculates their effect on its operation. Hedging activities have already been considered and financial instruments shall be used when conditions allow it.

4.7 Foreign exchange risk

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

5. Fair value estimation

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

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

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

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

On 30/9/2015 and 31/12/2014 respectively, the Group and the Company held the following financial instruments measured at fair value:

Financial instruments	Level	The Group		The Company	
		30/9/2015	31/12/2014	30/9/2015	31/12/2014
Available for sale financial assets	3	50,570	50,570	50,570	50,570

During the year 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 S.A. The Company's management bases the valuation on a study by an independent appraiser who takes into account all available appraising methods in order to reach the fair value of the investment. The methodology being used is the discounted cash flow method (D.C.F.). Finally, the Company's management uses its experience in the sector to take into account all other qualitative factors which due to the specific features in the company's operation, shall be included in the fair value estimation in order for it to be considered reliable and objective.

The remaining available for sale financial assets of Level 3 are related to investments in stocks of two non-listed cooperative banks and one non-listed domestic company in which the Group holds negligible shares. Their valuation is based on their financial statements, which reflect the assets at fair value.

Finally, the fair value of the following financial assets and liabilities is reflected in their book value:

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

6. Revenue

	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2015</u>	<u>30/9/2014</u>	<u>30/9/2015</u>	<u>30/9/2014</u>
Revenue from vessels' operations (fares, chartering & agency fees)	120,907	119,562	113,162	111,817
Revenue from on board sales–Various other revenue	14,677	15,331	14,677	15,331
Totals	135,584	134,893	127,839	127,148

7. Cost of sales

	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2015</u>	<u>30/9/2014</u>	<u>30/9/2015</u>	<u>30/9/2014</u>
Payroll cost	8,974	9,062	8,974	9,062
Bunkers and lubricants–on board sales costs	39,354	57,290	39,354	57,290
Port expenses–Maintenances–Consumables	6,556	6,456	6,556	6,456
Vessels' chartering cost	26,238	23,257	26,238	23,257
Various other costs–Net Depreciation	18,478	19,210	14,315	15,064
Totals	99,600	115,275	95,437	111,129

8. Income tax

	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2015</u>	<u>30/9/2014</u>	<u>30/9/2015</u>	<u>30/9/2014</u>
Income tax expense estimation for the period ended	159	130	–	–
Deferred tax	21	51	–	–
Totals	180	181	–	–

9. Earnings per share

	<u>The Group</u>			<u>The Company</u>				
	<u>30/9/2015</u>	<u>30/9/2014</u>	<u>1/7– 30/9/2015</u>	<u>1/7– 30/9/2014</u>	<u>30/9/2015</u>	<u>30/9/2014</u>	<u>1/7– 30/9/2015</u>	<u>1/7– 30/9/2014</u>
Profit of the period attributable to shareholders of the Parent	17,593	2,163	11,755	6,661	17,259	1,126	10,639	5,526
Weighted average number of shares outstanding	106,980,050	103,245,393	106,980,050	106,980,050	106,980,050	103,245,393	106,980,050	106,980,050
Basic and Diluted Earnings of the period per share (in €)	0.1645	0.0209	0.1099	0.0623	0.1613	0.0109	0.0994	0.0517

10. Tangible and intangible assets

	The Group						
	Land	Buildings	Transportation equipment	Vessels– Spare parts– Vessels' other equipment	Furniture– Computers– Other equipment– Mobile phones & tablets	Software	Totals
Cost at 1/1/2014	2,110	6,278	8	531,644	3,280	3,140	546,460
Acquisitions and additions 1/1–31/12/2014	–	–	–	2,851	82	79	3,012
Less / (plus): Disposals–Transfers–Write offs 1/1–31/12/2014	–	–	–	13	42	–	55
Costs at 31/12/2014	2,110	6,278	8	534,482	3,320	3,219	549,417
Cost at 1/1/2015	2,110	6,278	8	534,482	3,320	3,219	549,417
Acquisitions and additions 1/1–30/9/2015	–	–	–	1,267	188	20	1,475
Less / (plus): Disposals–Transfers–Write offs 1/1–30/9/2015	–	–	–	35	224	–	259
Costs at 30/9/2015	2,110	6,278	8	535,714	3,284	3,239	550,633
Accumulated Depreciation at 1/1/2014	–	2,353	5	141,164	2,892	2,841	149,255
Depreciation for the period 1/1–31/12/2014	–	255	1	15,070	176	161	15,663
Less / (plus) : Disposed / Transferred assets accumulated depreciation 1/1–31/12/2014	–	–	–	15	39	–	54
Accumulated Depreciation at 31/12/2014	–	2,608	6	156,219	3,029	3,002	164,864
Accumulated Depreciation at 1/1/2015	–	2,608	6	156,219	3,029	3,002	164,864
Depreciation for the period 1/1–30/9/2015	–	192	1	11,529	112	104	11,938
Less / (plus) : Disposed / Transferred assets accumulated depreciation 1/1–30/9/2015	–	–	–	35	224	–	259
Accumulated Depreciation at 30/9/2015	–	2,800	7	167,713	2,917	3,106	176,543
Net book value at :							
1/1/2014	2,110	3,925	3	390,480	388	299	397,205
31/12/2014	2,110	3,670	2	378,263	291	217	384,553
30/9/2015	2,110	3,478	1	368,001	367	133	374,090
	The Company						
	Land	Buildings	Transportation equipment	Vessels– Spare parts– Vessels' other equipment	Furniture– Computers– Other equipment– Mobile phones & tablets	Software	Totals
Cost at 1/1/2014	2,110	6,278	8	317,923	3,280	3,140	332,739
Acquisitions and additions 1/1–31/12/2014	–	–	–	2,851	82	79	3,012
Less / (plus): Disposals–Transfers–Write offs 1/1–31/12/2014	–	–	–	13	42	–	55
Costs at 31/12/2014	2,110	6,278	8	320,761	3,320	3,219	335,696
Cost at 1/1/2015	2,110	6,278	8	320,761	3,320	3,219	335,696
Acquisitions and additions 1/1–30/9/2015	–	–	–	1,267	188	20	1,475
Less / (plus): Disposals–Transfers–Write offs 1/1–30/9/2015	–	–	–	35	224	–	259
Costs at 30/9/2015	2,110	6,278	8	321,993	3,284	3,239	336,912
Accumulated Depreciation at 1/1/2014	–	2,353	5	86,653	2,892	2,841	94,744
Depreciation for the period 1/1–31/12/2014	–	255	1	9,542	176	161	10,135
Less / (plus) : Disposed / Transferred assets accumulated depreciation 1/1–31/12/2014	–	–	–	15	39	–	54
Accumulated Depreciation at 31/12/2014	–	2,608	6	96,180	3,029	3,002	104,825
Accumulated Depreciation at 1/1/2015	–	2,608	6	96,180	3,029	3,002	104,825
Depreciation for the period 1/1–30/9/2015	–	192	1	7,383	112	104	7,792
Less / (plus) : Disposed / Transferred assets accumulated depreciation 1/1–30/9/2015	–	–	–	35	224	–	259
Accumulated Depreciation at 30/9/2015	–	2,800	7	103,528	2,917	3,106	112,358
Net book value at :							
1/1/2014	2,110	3,925	3	231,270	388	299	237,995
31/12/2014	2,110	3,670	2	224,581	291	217	230,871
30/9/2015	2,110	3,478	1	218,465	367	133	224,554

11. 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 1/1/2014	557	1,195	1,752	557	1,195	1,752
Costs at 31/12/2014	557	1,195	1,752	557	1,195	1,752
Cost at 1/1/2015	557	1,195	1,752	557	1,195	1,752
Costs at 30/9/2015	557	1,195	1,752	557	1,195	1,752
Accumulated Depreciation at 1/1/2014	–	412	412	–	412	412
Depreciation for the period 1/1–31/12/2014	–	41	41	–	41	41
Accumulated Depreciation at 31/12/2014	–	453	453	–	453	453
Accumulated Depreciation at 1/1/2015	–	453	453	–	453	453
Depreciation for the period 1/1–30/9/2015	–	31	31	–	31	31
Accumulated Depreciation at 30/9/2015	–	484	484	–	484	484
Net book value at :						
1/1/2014	557	783	1,340	557	783	1,340
31/12/2014	557	742	1,299	557	742	1,299
30/9/2015	557	711	1,268	557	711	1,268

12. Investments in subsidiaries

Investments in subsidiaries are as follows:

<u>company</u>	<u>Participation amount</u>	
	<u>30/9/2015</u>	<u>31/12/2014</u>
Minoan Italia S.p.A.	140,343	147,543
Totals	140,343	147,543

At 30/6/2015 a decision was taken by the Extraordinary General Meeting of 100% subsidiary Minoan Italia S.p.A. to reduce its share capital by the amount of € 7,200 and the return of that amount to the parent company. An amount of € 4,951 was remaining to complete this return.

The amounts presented in the item “Dividends income from subsidiaries” are dividends for the fiscal years 2014 and 2013 respectively received by the parent from the subsidiary.

13. 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. The share owned by the Company in Hellenic Seaways Shipping S.A. is 33.35%. The Company believes that it has no significant influence in the management / financial policy of the company. The reasons for which the Company has documented that does not exercise significant influence over the management / financial policy of this company are described in detail in the Annual Financial Report for the year 1/1–31/12/2014 and have not changed in the current period. Therefore, the Company believes that no significant / material influence is exercised to Hellenic Seaways Shipping S.A. as defined in I.A.S. 28 and thus, the investment was valued in accordance with I.A.S. 39.

14. Cash and cash equivalents

	<u>The Group</u>		<u>The Company</u>	
	<u>30/9/2015</u>	<u>31/12/2014</u>	<u>30/9/2015</u>	<u>31/12/2014</u>
Cash on hand	1,225	253	1,023	145
Cash in banks and time deposits	19,677	20,075	17,798	20,075
Totals	20,902	20,328	18,821	20,220

15. Share capital

The share capital of the Company is divided into 106,980,050 ordinary shares with a nominal value of €2.25 each. The equity holders of ordinary shares receive dividend when it is approved for distribution by the General Shareholders' Meeting. Every ordinary share carries one voting right at the General Shareholders' Meetings. The weighted average number of shares on 30/9/2015 was 106,980,050 while on 30/9/2014 was 103,245,393.

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 long-term debt of the Company is analyzed as follows:

	<u>Average</u> <u>interest rate</u> <u>9m 2015</u>	<u>30/9/2015</u>	<u>Average</u> <u>interest rate</u> <u>9m 2014</u>	<u>31/12/2014</u>
Bond Loan–Agent National Bank of Greece	0.95%	205,835	1.69%	211,363
Less : Net book value of transaction costs		-596		-694
Total bond loan		205,239		210,669
Less : current portion of long-term loan		-16,259		-16,259
Total Long term debt		188,980		194,410

The payment schedule of the bond loan agreement on 30/9/2015 is the following:

Within the next year	16,259
2-3 years	32,517
4-5 years	157,059
5 years or more	–
Totals	205,835

In order to secure the aforementioned debt, first preferred mortgages amounting to € 375,000 have been registered on the Company's vessels (note 10). Moreover, the shares of Minoan Italia S.p.A. have been pledged for an amount of € 145,200 (note 12).

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

<u>1/1–30/9/2015</u>	<u>Greece</u> <u>routes</u>	<u>Adriatic</u> <u>routes</u>	<u>Unallocated</u> <u>items</u>	<u>Totals</u>
Revenue	35,145	83,548	16,891	135,584
Gross Profit	9,175	20,817	5,992	35,984
Profit before depreciation, taxation, financing and investment costs (e.b.i.t.d.a.)	13,665	15,747	2,093	31,505
Net depreciation	-5,243	-2	-6,577	-11,822
Profit / (loss) before taxation, financing and investment costs	8,422	15,745	-4,484	19,683
Financial income	–	–	79	79
Financial expense	-513	–	-1,476	-1,989
Profit / (loss) of the period before taxes	7,909	15,745	-5,881	17,773
Income tax	–	–	-180	-180
Profit / (loss) of the period after taxes	7,909	15,745	-6,061	17,593

30/9/2015

Total assets	163,149	492	345,521	509,162
Total liabilities	67,609	–	182,116	249,725
Capital expenditure	1,073	2	400	1,475

The Group

<u>1/1–30/9/2014</u>	<u>Greece</u> <u>routes</u>	<u>Adriatic</u> <u>routes</u>	<u>Unallocated</u> <u>items</u>	<u>Totals</u>
Revenue	35,361	85,331	14,201	134,893
Gross Profit	4,978	9,998	4,642	19,618
Profit before depreciation, taxation, financing and investment costs (e.b.i.t.d.a.)	9,177	6,701	1,719	17,597
Net depreciation	-5,059	-16	-6,527	-11,602
Profit / (loss) before taxation, financing and investment costs	4,118	6,685	-4,808	5,995
Financial income	–	–	35	35
Financial expense	-953	–	-2,733	-3,686
Profit / (loss) of the period before taxes	3,165	6,685	-7,506	2,344
Income tax	–	–	-181	-181
Profit / (loss) of the period after taxes	3,165	6,685	-7,687	2,163

31/12/2014

Total assets	167,319	4	341,974	509,297
Total liabilities	69,398	10,587	187,468	267,453

Capital expenditure 1,091 1 1,920 **3,012**

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

- Total profit 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.

18. Related party transactions

During 2008, the company “Grimaldi Group S.p.A.” having its registered address in Palermo Italy, acquired the majority of the Company’s shares, and thus became the ultimate controlling party exercising control on the Company and the Group. On 02/02/2015 both the ultimate holding company and a company of group’s ultimate holding company changed their names without changing any of their other fiscal data (Domicile, VAT number etc). More specifically, the ultimate holding company changed its name from “Grimaldi Compagnia di Navigazione S.p.A.” to “Grimaldi Group S.p.A.” while the ultimate holding group company changed its name from “Atlantica S.p.A. di Navigazione” to “Grimaldi Euromed S.p.A.”. Related parties are considered the Group of the ultimate parent company, the members of the Board of Directors and management of subsidiaries of the Group, as well as the financially dependent members and first-degree relatives of the members of the Board of Directors and Management, and the associate companies.

Presented in the tables below are the receivable and payable balances between the related parties on 30/9/2015 and 31/12/2014, as well as purchases (services received) and sales (services provided) for the periods 1/1–30/9/2015 and 1/1–30/9/2014 respectively:

18.1 Group of ultimate parent company

30/9/2015

<u>company</u>	<u>Minoan Lines Shipping S.A.</u>			<u>The Company</u>	<u>Minoan Italia S.p.A.</u>	<u>The Group</u>
	<u>Grimaldi Group S.p.A. *</u>	<u>Grimaldi Euromed S.p.A.</u>	<u>Finnlines Plc</u>	<u>Totals</u>	<u>Grimaldi Group S.p.A.</u>	<u>Totals</u>
	due from	–	9,221	1	9,222	–
payable to	477	–	–	477	15	492

* Grimaldi Tours is included

31/12/2014

<u>company</u>	<u>Minoan Lines Shipping S.A.</u>			<u>The Company</u>	<u>The Group</u>
	<u>Grimaldi Compagnia di Navigazione S.p.A. *</u>	<u>Atlantica S.p.A. di Navigazione</u>	<u>Finnlines Plc</u>	<u>Totals</u>	<u>Totals</u>
	due from	–	–	1	1
payable to	3,469	7,118	–	10,587	10,587

* Grimaldi Tours is included

1/1–30/9/2015

<u>company</u>	<u>Minoan Lines Shipping S.A.</u>			<u>The Company</u>	<u>Minoan Italia S.p.A.</u>	<u>The Group</u>
	<u>Grimaldi Group S.p.A. *</u>	<u>Grimaldi Euromed S.p.A.</u>	<u>Grimaldi Germany GBMH</u>	<u>Totals</u>	<u>Grimaldi Group S.p.A.</u>	<u>Totals</u>
	Chartering cost	13,016	13,222	–	26,238	–
Crew wages cost	261	268	–	529	–	529
Adjustment of the on-board operating result	1,090	1,054	–	2,144	–	2,144
Attributing crew wages cost of chartered owned vessels	–	-265	–	-265	–	-265
Attributing agency costs	–	-1,089	–	-1,089	–	-1,089
Bunkers cost	286	784	–	1,070	–	1,070
Other expenses	–	1,032	21	1,053	15	1,068
Totals	14,653	15,006	21	29,680	15	29,695

Minoan Lines Shipping S.A.–condensed interim Company stand-alone and consolidated financial statements for the period 1/1–30/9/2015
(amounts in thousands of €)

Chartering revenue	–	4,914	–	4,914	–	4,914
Revenue from crew coat reduction of chartered vessels	122	192	–	314	–	314
Revenue from services rendered	86	1,036	–	1,122	–	1,122
Adjustment of the on–board operating result	–	4	–	4	–	4
Revenue from bunker disposal	–	556	–	556	–	556
Other revenue	26	303	–	329	–	329
Totals	234	7,005	–	7,239	–	7,239

* Grimaldi Tours is included

1/1–30/9/2014

<u>company</u>	<u>The Company</u>			<u>The Group</u>	
	<u>Minoan Lines Shipping S.A.</u>		<u>Totals</u>	<u>Minoan Italia S.p.A.</u>	<u>Totals</u>
	<u>Grimaldi Compagnia di Navigazione S.p.A. *</u>	<u>Atlantica di Navigazione S.p.A.</u>		<u>Grimaldi Compagnia di Navigazione S.p.A.</u>	
Chartering cost	12,142	11,115	23,257	–	23,257
Crew wages cost	481	146	627	–	627
Adjustment of the on–board operating result	1,650	1,054	2,704	–	2,704
Attributing crew wages cost of chartered owned vessels	–	-264	-264	–	-264
Attributing agency costs	–	-1,048	-1,048	–	-1,048
Bunkers cost	–	402	402	–	402
Purchase of vessels' fixed equipment	–	1,015	1,015	–	1,015
Other expenses	6	251	257	15	272
Totals	14,279	12,671	26,950	15	26,965
Chartering revenue	–	4,531	4,531	–	4,531
Revenue from crew coat reduction of chartered vessels	202	128	330	–	330
Other revenue from services rendered	35	852	887	–	887
Adjustment of the on–board operating result	–	28	28	–	28
Revenue from bunker disposal	–	347	347	–	347
Other revenue	15	3	18	–	18
Totals	252	5,889	6,141	–	6,141

* Grimaldi Tours is included

18.2 Subsidiaries

30/9/2015

<u>company</u>	<u>Minoan Italia S.p.A.</u>	<u>Totals</u>
<u>Minoan Lines Shipping S.A.</u> due from	4,951	4,951

31/12/2014

<u>company</u>	<u>Minoan Italia S.p.A.</u>	<u>Totals</u>
<u>Minoan Lines Shipping S.A.</u> due from	323	323

1/1–30/9/2015

<u>company</u>	<u>Minoan Italia S.p.A.</u>	<u>Totals</u>
<u>Minoan Lines Shipping S.A.</u> 2014 Dividend received	2,981	2,981
Totals	2,981	2,981

1/1–30/9/2014

<u>company</u>	<u>Minoan Italia S.p.A.</u>	<u>Totals</u>
<u>Minoan Lines Shipping S.A.</u> 2013 Dividend received	2,295	2,295
Totals	2,295	2,295

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:

	<u>30/9/2015</u>	<u>30/9/2014</u>
Executive directors	378	378
Non-executive directors	143	143
Management	618	512
Totals	<u>1,139</u>	<u>1,033</u>

Of the total remunerations above, an amount of € 29 and € 68 remains unpaid as at 30/9/2015 and 30/9/2014 respectively. The transactions with relatives of the Management and executives for the period ended 31/3/2015 amounted to € 346 while as at 30/9/2015 remains unpaid € 21 and remains due from € 6. The nature of these transactions was mainly labor (payroll) and commercial cooperation (fees for goods and services received).

19. Contingent liabilities

Beyond the below mentioned there are no changes in contingent liabilities of the Company and the Group to those referred to the Annual Financial Report for the year ended 31/12/2014:

By letter dated 15/6/2015, the Greek Capital Market Commission informed the Company, that as a consequence of its shareholding structure as of 31 December 2014, falls under par. 4 of article 7 of the Ministerial Decision 54138/B' 2197 (Government Gazette 1913B'–09/12/2010) provided an increased periodical contribution, amounting, for the year 2015, to € 246. The Company, by calling into question that the conditions for being subject to the said provisions are met, has taken legal steps against this decision before the competent Administrative Courts. The Company is convinced that the Courts will rule in its favor, and for that reason no relevant provision has been established.

.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 Shipping S.A.	2006–2015 (except year 2011)
Minoan Italia S.p.A.	2009–2015

The Company has not been audited by the tax authorities for the years 2006 to 2010. Respective the Italian subsidiary Minoan Italia S.p.A. has not been checked for the years 2009 to 2015. 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. The Company with document dated 30/6/2015 was informed by the competent tax authorities that has been selected for partial tax audit for the year 2006, which commenced in October 2015 and is in progress.

The tax audits of the financial years 2012–2014 for the Company have been performed by PricewaterhouseCoopers S.A. Upon completion respective Tax Compliance Reports issued (for 2014 issued at 23/9/2015) with unqualified opinion.

20. Subsequent events

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

Heraklion, November 16th 2015

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

**Michail
Chatzakis**
Pass No AH 4939797

The Managing
Director

**Antonios
Maniadakis**
ID C No AI 944699

The Chief Financial
Officer

**Nikolaos
Artemis**
ID C No AK 004796

The Accounting
Manager

**Isidoros
Manolakis**
ID C No AE 961838

The
Accountant

**Astrinos
Kyralakakis**
ID C No AM 465753
H.E.C. Lcnc No 79324 A' Class

Minoan Lines Shipping S.A. – Financial data and Information for the period 1/1–30/9/2015



a Grimaldi Group company

MINOAN LINES

SHIPPING SOCIETE ANONYME

Company's No in the General Electronic Commercial Registry: 77083027000

Domicile : 17, 25th August Str. 71202 - Heraklion Crete

NOTES AND INFORMATION for the period ended September 30th, 2015 (1/1 – 30/9/2015)

(In accordance with the decision 4 / 507 / 20.4.2009 of the B.o.D. of 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		STATEMENT OF CHANGES IN EQUITY			
		The Group		The Company	
		30/9/2015	30/9/2014	30/9/2015	30/9/2014
Company's Web Site : www.minoan.gr Date of approval of the condensed interim financial statements from the Board of Directors: November 10 th 2015 Certified Auditor Accountant: Marinou Despina Reg. No. ICPA (GR) 17681 Audit Firm: PricewaterhouseCoopers S.A. Reg. No. ICPA (GR) 113 Type of auditor's report: Not Required		Total equity (1/1/2015 and 1/1/2014) 241,844 211,646 233,807 206,804 Funds raised from share capital increase - - 30,587 - 30,587 Costs of share capital increase - - 427 - 427 Profit of the period after taxes (a) 17,593 2,163 17,259 1,126 Other comprehensive income of the period after taxes (b) - - - - Total comprehensive income of the period after taxes (a) + (b) 17,593 2,163 17,259 1,126 Total equity at the end of the period (30/9/2015 and 30/9/2014) 269,437 243,969 261,066 237,930			
STATEMENT OF FINANCIAL POSITION		STATEMENT OF CASH FLOWS			
		The Group		The Company	
		30/9/2015	31/12/2014	30/9/2015	31/12/2014
Assets					
Property, plant and equipment		373,957	384,336	224,421	230,654
Intangible assets		133	217	133	217
Investment property		1,268	1,299	1,268	1,299
Investments in subsidiaries		-	-	140,343	147,543
Available for sale financial assets		50,570	50,570	50,570	50,570
Other non-current assets		17,367	16,065	17,367	16,065
Inventories		2,740	2,308	2,740	2,308
Trade receivables		36,564	27,353	41,507	27,669
Other current assets		26,543	25,129	21,993	22,506
Total assets		609,162	609,297	600,362	600,851
Equity and liabilities					
Share Capital		240,705	240,705	240,705	240,705
Retained Earnings and other Reserves		18,732	1,139	10,361	-6,898
Total Shareholders Equity (a)		259,437	241,844	251,066	233,807
Non-controlling interests (b)		-	-	-	-
Total equity (c) = (a) + (b)		259,437	241,844	251,066	233,807
Long-term borrowings		188,980	194,410	188,980	194,410
Provisions / other long-term liabilities		5,347	5,436	5,083	5,194
Bank overdrafts and current portion of long-term borrowings		16,259	24,261	16,259	24,261
Other current liabilities		39,139	43,326	38,974	43,159
Total liabilities (d)		249,725	267,453	249,296	267,044
Total equity and liabilities (c) + (d)		609,162	609,297	600,362	600,851
		The Group		The Company	
		1/1–30/9/2015	1/1–30/9/2014	1/1–30/9/2015	1/1–30/9/2014
Cash flows from Operating activities					
Profit of the period before taxes		17,773	2,344	17,259	1,126
plus / (less) adjustments for:					
Net depreciation		11,822	11,602	7,675	7,456
Provisions		1,077	147	1,077	147
Net Foreign Exchange		15	38	15	38
[(Income), (gains)] from other investing activities		-	-	-2,981	-2,295
Interest and other financial expenses		1,969	3,686	1,969	3,686
plus / (less) adjustments for changes in working capital or operating activities:					
(Increase) / decrease in inventories		-432	478	-432	478
(Increase) / decrease in trade and other receivables		-10,351	-289	-10,396	936
(Decrease) in liabilities other than borrowings		-4,290	-32,752	-4,242	-30,702
(less):					
Interest and related expenses paid		-1,891	-3,371	-1,891	-3,371
Income tax paid		-113	-178	-	-
Net cash Generated by / (used in) Operating activities (a)		15,599	-18,295	8,073	-22,501
Cash Flows from Investing activities					
Return of capital from affiliate		-	-	2,572	-
Purchase of tangible and intangible assets		-1,475	-2,460	-1,475	-2,460
Dividends received		-	-	2,981	2,295
Net cash (Used in) / generated by Investing activities (b)		-1,475	-2,460	4,078	-168
Cash Flows from Financing activities					
Net funds raised from share capital increase		-	30,160	-	30,160
Repayment of long/short term borrowings		-13,550	-18,949	-13,550	-18,949
Dividends paid		-	-31	-	-31
Net cash (Used in) / generated by Financing activities (c)		-13,550	11,180	-13,550	11,180
Net Increase / (decrease) in cash and cash equivalents (a)+(b)+(c)		574	-9,575	-1,399	-11,498
Cash and cash equivalents at the beginning of the period		20,328	19,206	20,220	19,124
Cash and cash equivalents at the end of the period		20,902	9,631	18,821	7,638

STATEMENT OF COMPREHENSIVE INCOME		The Group				The Company			
		1/1–30/9/2015	1/1–30/9/2014	1/7–30/9/2015	1/7–30/9/2014	1/1–30/9/2015	1/1–30/9/2014	1/7–30/9/2015	1/7–30/9/2014
Revenue		135,584	134,893	56,819	62,123	127,839	127,148	54,308	59,513
Gross Profit		35,964	19,618	16,659	13,055	32,402	16,019	16,648	11,827
Operating Profit before tax, financing and investing costs		19,683	5,995	12,365	7,743	16,206	2,495	11,210	6,548
Profit of the period before taxes		17,773	2,344	11,816	6,723	17,259	1,126	10,639	5,526
Profit of the period after taxes (a)		17,593	2,163	11,755	6,661	17,259	1,126	10,639	5,526
- Equity holders of the parent		17,593	2,163	11,755	6,661	17,259	1,126	10,639	5,526
- Non-controlling interests		-	-	-	-	-	-	-	-
Other comprehensive income of the period after taxes (b)		-	-	-	-	-	-	-	-
Total comprehensive income of the period after taxes (a) + (b)		17,593	2,163	11,755	6,661	17,259	1,126	10,639	5,526
- Equity holders of the parent company		17,593	2,163	11,755	6,661	17,259	1,126	10,639	5,526
- Non-controlling interests		-	-	-	-	-	-	-	-
Basic and Diluted Earnings of the period after taxes per share (in €)		0.1645	0.0209	0.1099	0.0623	0.1613	0.0109	0.0994	0.0517
Operating Profit of the period before taxes, depreciation, financing and investing costs		31,606	17,597	16,342	11,635	23,881	9,950	13,782	9,068

NOTES AND INFORMATION

- The amounts are presented in thousands of € unless explicitly stated otherwise. Any last digit discrepancies are due to rounding of the figures.
- 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.
- The consolidated financial statements are included in the consolidated financial statements of the company "GRIMALDI GROUP S.p.A." (domicile : Palermo Italy) which at the period ended September 30th, 2015 participated in the share capital of the Company with 95.71% (call option of 1.97% included).
- The unaudited tax years of the Company and of the companies of the Group are analyzed in note 19 of the condensed interim financial statements.
- For securing the long-term debt, first preferred mortgages have been registered on the Group's vessels and have been pledged the shares of the subsidiary company Minoan Italia S.p.A. (note 16 of the condensed interim financial statements).
- 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	16,169	16,169
Provisions for unaudited tax years	-	-
Other provisions	191	191
- The number of the personnel employed by the Group at the period ended 30/9/2015 and 30/9/2014 was 420 and 417, respectively.
- Basic earnings per share were calculated based on the weighted average number of shares outstanding as of 30/9/2015 and 30/9/2014 respectively (notes 9 and 15 of the condensed interim financial statements).
- 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 analyzed in note 18 of the condensed interim financial statements and are as follows:

	The Group	The Company
a) Inflows	7,239	10,220
b) Outflows	29,695	29,680
c) Receivables	9,222	14,173
d) Payables	492	477
e) Transactions and compensations of directors and members of B.o.D.	1,485	1,485
f) Receivables from directors and members of B.o.D.	6	6
g) Payables to directors and members of B.o.D.	50	50

Heraklion, November 16th 2015

The Vice-Chairman of the B.O.D.

Michail Hatzakis
Pass. No AH 4939797

The Managing Director

Antonios Maniadakis
ID C No AI 944699

The Chief Financial Officer

Nikolaos Artemis
ID C No AK 004796

The Accounting Manager

Isidoros Manolakis
ID C No AE 961838

The Accountant

Astrinos Kyralakis
ID C No AM 466763
H.E.C. Lonc No 79324 A' Class