



ATTICA HOLDINGS SA

Annual Financial Statements
for the period 1-1-2005 to 31-12-2005
Type of Auditors' opinion: Unqualified

(amounts in € thousand)

The Annual Financial Statements for the fiscal year 2005 were approved by the Board of Directors of Attica Holdings S.A. on 20 February 2006.

ATTICA HOLDINGS SA
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AUDITORS' REPORT

To the Shareholders of "ATTICA HOLDINGS SA"

We have audited the accompanying financial statements as well as the consolidated financial statements of ATTICA HOLDINGS SA as of and for the year ended 31 December 2005. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Greek Auditing Standards, which are based on the International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, evaluating the overall financial statement presentation as well as assessing the consistency of the Board of Directors' report with the aforementioned financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the aforementioned financial statements give a true and fair view of the financial position of the Company and that of the Group (of which this Company is the holding company), as of 31 December 2005, and of the results of its operations and those of the Group and their cash flows and changes in shareholders' equity for the year then ended in accordance with the International Financial Reporting Standards that have been adopted by the European Union and the Board of Directors' Report is consistent with the aforementioned financial statements.

22 February 2006
For DRM Stylianou SA (SOEL Reg. no: 104)

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DRM Stylianou SA is a
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and consulting firms

INCOME STATEMENT

For the year ending at 31/12/2005 & 2004 and the 4th quarter 2005 and 2004

		GROUP			
	Notes	1/10-31/12/05	1/10-31/12/04	1/1-31/12/05	1/1-31/12/04
Revenue	(6.1)	78.594	70.132	385.118	371.253
Cost of sales	(6.2)	(56.717)	(43.055)	(230.420)	(211.449)
Gross Profit/(loss)		21.877	27.077	154.698	159.804
Other operating income	(6.3)	1.950	1.202	4.472	2.976
Administrative expenses	(6.4)	(6.822)	(7.152)	(25.207)	(26.693)
Distribution expenses	(6.5)	(7.612)	(5.542)	(34.859)	(31.368)
Earnings before taxes, investing and financial results, depreciation and amortization		9.393	15.585	99.104	104.719
Depreciation and amortization	(6.6)	(9.282)	(9.106)	(37.385)	(37.977)
Earnings before taxes, investing and financial results		111	6.479	61.719	66.742
Dividends from subsidiaries and other entities	(6.7)	726	18	791	56
Interest & other similar income	(6.7)	595	898	2.243	3.075
Interest and other financial expenses	(6.7)	(6.307)	(9.053)	(28.438)	(36.275)
Profit / (Loss) from sale-revaluation of investments in subsidiaries - associated companies	(6.7)			450	
Foreign exchange differences	(6.7)		(3.114)	1.296	(2.244)
Financial results		(4.986)	(11.251)	(23.658)	(35.388)
Profit/(loss) from vessels' disposal			4.517		10.419
Profit/(loss) before taxes		(4.875)	(255)	38.061	41.773
Taxes	(6.8)	(257)	(244)	(1.019)	(758)
Profit/(loss) after taxes		(5.132)	(499)	37.042	41.015
<u>Attributable as follows:</u>					
Company shareholders		(4.241)	(1.436)	28.081	35.630
Minority interests in subsidiaries		(891)	937	8.961	5.385
Earnings after taxes Per Share - basic (in €)		(0,04)	(0,01)	0,27	0,34
Proposed dividend payable per share (in €)					

The Notes on pages 11 to 57 are an integral part of these Financial Statements.



INCOME STATEMENT

For the year ending at 31/12/2005 & 2004 and the 4th quarter of 2005 and 2004

	Notes	COMPANY			
		<u>1/10-31/12/05</u>	<u>1/10-31/12/04</u>	<u>1/1-31/12/05</u>	<u>1/1-31/12/04</u>
Revenue					
Cost of sales					
Gross Profit/(loss)					
Other operating income					
Administrative expenses	(6.4)	(205)	(10)	(792)	(825)
Distribution expenses	(6.5)	(11)		(17)	
Earnings before taxes, investing and financial results, depreciation and amortization		(216)	(10)	(809)	(825)
Depreciation and amortization	(6.6)	(25)	(28)	(41)	(57)
Earnings before taxes, investing and financial results		(241)	(38)	(850)	(882)
Dividends from subsidiaries and other entities	(6.7)		18	14.140	16.266
Interest & other similar income	(6.7)	10	43	58	370
Interest and other financial expenses	(6.7)	(420)	(590)	(2.334)	(7.449)
Profit / (Loss) from sale-revaluation of investments in subsidiaries - associated companies	(6.7)	(525)		(75)	
Foreign exchange differences	(6.7)				
Financial results		(935)	(529)	11.789	9.187
Profit/(loss) from vessels' disposal					
Profit/(loss) before taxes		(1.176)	(567)	10.939	8.305
Taxes	(6.8)		(29)		(116)
Profit/(loss) after taxes		(1.176)	(596)	10.939	8.189
<u>Attributable as follows:</u>					
Company shareholders		(1.176)	(596)	10.939	8.189
Minority interests in subsidiaries					
Earnings after taxes Per Share - basic (in €)		(0,01)	(0,01)	0,11	0,08
Proposed dividend payable per share (in €)				0,08	0,08

The Notes on pages 11 to 57 are an integral part of these Financial Statements.



BALANCE SHEET

As at 31st of December 2005 and at December 31, 2004

	Notes	GROUP		COMPANY	
		31/12/2005	31/12/2004	31/12/2005	31/12/2004
ASSETS					
Non-current assets					
Tangible assets	(6.9)	1.116.915	1.139.437		3
Intangible assets	(6.10)	3.240	2.420	86	118
Investments in subsidiaries-associated companies	(6.11)		9	168.434	184.756
Other financial assets	(6.12)	26.643		26.643	
Non-current receivables	(6.13)	135	57		
		<u>1.146.933</u>	<u>1.141.923</u>	<u>195.163</u>	<u>184.877</u>
Current assets					
Inventories	(6.14)	4.194	3.222		
Trade receivables and prepayments	(6.15)	60.224	51.304		
Tax receivables	(6.16)	1.496	1.973	581	101
Receivables from subsidiaries-associated companies					30.000
Other receivables	(6.17)	6.449	8.147	219	3
Financial assets held for trading	(6.18)	16.545	3.307	16.517	3.280
Cash and cash equivalents	(6.19)	92.558	143.008	3.251	22.181
Deferred expenses	(6.20)	5.079	8.387		
Accrued income	(6.20)	1.218	135	2	4
		<u>187.763</u>	<u>219.483</u>	<u>20.570</u>	<u>55.569</u>
Total assets		<u>1.334.696</u>	<u>1.361.406</u>	<u>215.733</u>	<u>240.446</u>
EQUITY AND LIABILITIES					
Equity					
Share capital	(6.21)	93.756	93.756	93.756	93.756
Reserves	(6.21)	289.644	275.620	75.293	80.924
Retained Earnings		5.680	3.428	10.939	
Total equity		<u>389.080</u>	<u>372.804</u>	<u>179.988</u>	<u>174.680</u>
Minority interests in subsidiaries		<u>102.726</u>	<u>94.084</u>		
Non-current liabilities					
Secured loans	(6.22)	677.965	699.856		
Unsecured loans	(6.23)	25.000	25.000	25.000	25.000
Finance leases	(6.24)	202	602		
Deferred tax liabilities	(6.25)	295	267	267	267
Retirement benefit provisions	(6.26)	1.017	890	54	54
Other provisions	(6.27)	2.482	1.590		
		<u>706.961</u>	<u>728.205</u>	<u>25.321</u>	<u>25.321</u>
Current liabilities					
Bank loans and overdrafts	(6.28)	12.150	13.324	9.931	9.931
Current portion of long term liabilities		69.924	105.116		30.000
Trade and other payables	(6.29)	35.722	28.084	81	97
Tax liabilities	(6.30)	3.908	3.151		
Deferred income	(6.31)	2.864	2.850		
Accrued expenses	(6.31)	11.361	13.788	412	417
		<u>135.929</u>	<u>166.313</u>	<u>10.424</u>	<u>40.445</u>
Total equity and liabilities		<u>1.334.696</u>	<u>1.361.406</u>	<u>215.733</u>	<u>240.446</u>

The Notes on pages 11 to 57 are an integral part of these Financial Statements.

Statement of Changes in Equity

For the Period 1/1-31/12/2004

GROUP

	Share Capital	Share Premium	Other Reserves	Impairments	Retained Earnings	IFRS Adjustment Reserves	Total Equity
Balance at 1 January 2004 according to Greek GAAP	93.756	241.803	38.986	(75.103)	37.719		337.161
Adjustments for transition to IFRS						3.577	3.577
Balance at 1 January 2004	93.756	241.803	38.986	(75.103)	37.719	3.577	340.738
Changes in Equity for the Period 1/1-31/12/2004				4.211			4.211
Net Profit for the Period 1/1-31/12/2004		(2.559)	1.351	64.537	(34.291)	6.592	35.630
Dividends			(7.775)				(7.775)
Balance at 31 December 2004	93.756	239.244	32.562	(6.355)	3.428	10.169	372.804

COMPANY

	Share Capital	Share Premium	Other Reserves	Impairments	Retained Earnings	IFRS Adjustment Reserves	Total Equity
Balance at 1 January 2004 according to Greek GAAP	93.756	225.936	4.585	(135.883)			188.394
Adjustments for transition to IFRS						(16.257)	(16.257)
Balance at 1 January 2004	93.756	225.936	4.585	(135.883)		(16.257)	172.137
Changes in Equity for the Period 1/1-31/12/2004			(116)	(21.074)		21.361	171
Net Profit for the Period 1/1-31/12/2004			7.837			352	8.189
Dividends			(8.334)			2.517	(5.817)
Balance at 31 December 2004	93.756	225.936	3.972	(156.957)		7.973	174.680

Statement of Changes in Equity

For the Period 1/1-31/12/2005

GROUP

	Share Capital	Share Premium	Other Reserves	Impairments	Retained Earnings	IFRS Adjustment Reserves	Total Equity
Balance at 1 January 2005 according to Greek GAAP	93.756	239.244	32.562	(6.355)	3.428		362.635
Adjustments for transition to IFRS						10.169	10.169
Balance at 1 January 2005	93.756	239.244	32.562	(6.355)	3.428	10.169	372.804
Changes in Equity for the Period 1/1-31/12/2005				(246)			(246)
Net Profit for the Period 1/1-31/12/2005			25.829		2.252		28.081
Dividends			(11.559)				(11.559)
Balance at 31 December 2005	93.756	239.244	46.832	(6.601)	5.680	10.169	389.080

COMPANY

	Share Capital	Share Premium	Other Reserves	Impairments	Retained Earnings	IFRS Adjustment Reserves	Total Equity
Balance at 1 January 2005 according to Greek GAAP	93.756	225.936	3.972	(156.957)			166.707
Adjustments for transition to IFRS						7.973	7.973
Balance at 1 January 2005	93.756	225.936	3.972	(156.957)		7.973	174.680
Changes in Equity for the Period 1/1-31/12/2005				2.703			2.703
Net Profit for the Period 1/1-31/12/2005					10.939		10.939
Dividends			(8.334)				(8.334)
Balance at 31 December 2005	93.756	225.936	(4.362)	(154.254)	10.939	7.973	179.988



CASH FLOW STATEMENT

For the period 1/1-31/12 2005 & 2004

	GROUP		COMPANY	
	1/1-31/12/2005	1/1-31/12/2004	1/1-31/12/2005	1/1-31/12/2004
<u>Cash flow from Operating Activities</u>				
Profit Before Taxes	38.061	41.773	10.939	8.305
Adjustments for:				
Depreciation & amortization	37.385	37.977	41	57
Deferred tax expense	27	100		
Net profit/(Loss) from investing activities	(4.010)	(9.880)	(14.648)	(16.635)
Provisions	2.802	(3.259)	525	
Foreign exchange differences	(1.296)	2.244		
Interest and other financial expenses	28.438	36.275	2.334	7.449
Plus or minus for Working Capital changes :				
Decrease/(increase) in Receivables	(533)	12.180	749	315
Decrease/(increase) in Inventories	(972)	426		
(Decrease)/increase in Payables (excluding banks)	10.510	(18.130)	60	(100)
Less:				
Interest and other financial expenses paid	(38.553)	(33.009)	(2.339)	(7.530)
Taxes paid	(490)	(551)		(116)
Total cash inflow/(outflow) from operating activities (a)	71.369	66.146	(2.339)	(8.255)
<u>Cash flow from Investing Activities</u>				
Acquisition of subsidiaries, associated companies, joint ventures and other investments	(41.106)		(22.897)	17.493
Purchase of tangible and intangible assets	(16.662)	(7.427)	(6)	(248)
Proceeds from sale of tangible and intangible assets		64.060		
Interest received	2.691	3.075	506	370
Dividends received	791	56	14.140	16.266
Total cash inflow/(outflow) from investing activities (b)	(54.286)	59.764	(8.257)	33.881
<u>Cash flow from Financing Activities</u>				
Proceeds from issue of Share Capital				
Proceeds from Borrowings	210.050	25.000	2.500	25.000
Payments of Borrowings	(265.335)	(158.581)	(2.500)	(45.000)
Payments of finance lease liabilities	(688)	(405)		
Dividends paid	(11.560)	(7.772)	(8.334)	(5.817)
Total cash inflow/(outflow) from financing activities (c)	(67.533)	(141.758)	(8.334)	(25.817)
Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)	(50.450)	(15.848)	(18.930)	(191)
Cash and cash equivalents at beginning of period	143.008	158.856	22.181	22.372
Cash and cash equivalents at end of period	92.558	143.008	3.251	22.181

The method used for the preparation of the above Cash Flow Statement is the Indirect Method.

Cash and cash equivalents analysis is presented in paragraph 6.19

The Notes on pages 11 to 57 are an integral part of these Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

1. General information

Attica Holdings S.A. is a Company which operates exclusively in passenger shipping.

The headquarters of the Company are in Athens, C. Karamanli Avenue 157, 16673, Voula, Athens, Greece.

At period end, the Company had 9 employees and the Group 1.517 employees.

Attica Holdings S.A. shares are listed in the Athens Stock Exchange under the code ATTICA.

The corresponding codes under Bloomberg is ATTEN GA and under Reuters is EPA.AT.

The total number of common bearer shares outstanding as at 31 December 2005 was 104.173.680. Each share carries one voting right. The total market capitalization amounted to approximately € 418,7 million.

The financial statements of the Company and the Group for the period ending 31 December 2005 were approved by the Board of Directors on 20 February 2006.

Due to rounding there may be minor differences in some amounts.

2. Significant Group accounting policies

The significant Group accounting policies are as follows:

2.1. Basis of preparation of financial statements

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) which have been issued by the International Accounting Standards Board (IASB) and the interpretations which have been issued by the International Financial Reporting Interpretations Committee as adopted by the European Union.

In addition, the Group has prepared the financial statements in compliance with the historical cost principle, the going concern principle, the accrual basis principle, the consistency principle and the materiality principle.

In preparing its financial statements for the period ending 31 December 2005, the Group complied with the following standards:

- IAS 1** Presentation of Financial Statements
- IAS 2** Inventories
- IAS 7** Cash Flow Statements
- IAS 8** Accounting Policies, Changes in Accounting Estimates and Errors
- IAS 10** Events after the Balance Sheet Date
- IAS 11** Construction Contracts
- IAS 12** Income Taxes
- IAS 14** Segment Reporting
- IAS 16** Property, Plant and Equipment
- IAS 17** Leases
- IAS 18** Revenue
- IAS 19** Employee Benefits
- IAS 20** Accounting for Government Grants and Disclosure of Government Assistance
- IAS 21** The Effects of Changes in Foreign Exchange Rates
- IAS 23** Borrowing Costs
- IAS 24** Related Party Disclosures
- IAS 26** Accounting and Reporting by Retirement Benefit Plans
- IAS 27** Consolidated and Separate Financial Statements
- IAS 28** Investments in Associates
- IAS 29** Financial Reporting in Hyperinflationary Economies
- IAS 31** Interests in Joint Ventures
- IAS 32** Financial Instruments: Disclosure and Presentation
- IAS 33** Earnings per share
- IAS 34** Interim Financial Reporting
- IAS 36** Impairment of Assets
- IAS 37** Provisions, Contingent Liabilities and Contingent Assets
- IAS 38** Intangible Assets
- IAS 39** Financial instruments: Recognition and measurement
- IAS 40** Investment Property
- IFRS 1** First-time Adoption of International Financial Reporting Standards
- IFRS 2** Share-based Payment
- IFRS 3** Business Combinations
- IFRS 5** Non-current Assets Held for Sale and Discontinued Operations

The preparation of the financial statements calls for the use of estimates and assumptions which must be in line with the provisions of generally accepted accounting principles. The above estimates are based on the knowledge and the information available to the Management of the Group until the date of approval of the financial statements for the period ending 31 December 2005.

2.2. Consolidation

2.2.1. Basis of consolidation

The purchase method is used for the consolidation.

The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus cost directly attributable to the acquisition.

2.2.2. Subsidiaries

Subsidiaries are the entities which are controlled by another Company. Control exists when a Company has the power to govern the financial and operating policies of an entity.

In the Company's financial statements, participation in subsidiaries is presented in the acquisition cost less any impairment loss, if such case arises.

2.2.3. Consolidated financial statements

The consolidated financial statements include the Company and its subsidiaries. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that the parent company ceases to control the subsidiary.

Intercompany transactions, balances and gains or losses on transactions between Group companies are eliminated unless the transaction relates to an asset which provides evidence of impairment.

The subsidiaries' accounting policies are consistent with the policies adopted by the Group.

Minority interests are presented separately from the shareholders' equity of the Group.

2.3. Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of identifiable assets and liabilities of the acquired subsidiary or associated company, at the time of acquisition. The goodwill is not amortized. The goodwill is subject to an impairment test at the end of each year.

The negative goodwill which, prior to the first application of IFRS, was shown as a deduction from equity, it cannot be recognised as an asset. The Company shall not recognise that goodwill in profit or loss if it disposes of all or part of the business to which that goodwill relates.

2.4. Investments

The investments are classified according to their scope as follows:

a) Long-term investments

These investments are recognised at cost plus any cost directly attributable to the investment and are reported as non-current assets. The company, annually, shall assess whether there is any indication that an investment may be impaired.

If any such indication exists, impairment losses are recognised in the shareholders' equity.

b) Investments available for sale (short-term investments)

These investment are initially recorded at cost plus any cost attributable to the investment. Subsequently, these investments are re-measured at fair value and gains or losses are recorded under shareholders' equity until these are disposed of or considered impaired. When these are disposed of or considered impaired, gains or losses are recognised in the income statement.

2.5. Tangible assets

Tangible assets are stated at acquisition cost less accumulated depreciation and any impairment loss.

Cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are added in the asset's carrying amount or recognised as a separate asset, only when it is probable that additional future economic benefits, associated with the asset, will flow to the Group.

All other expenses are charged to the income statement as they are considered as repairs and maintenance.

Land is not depreciated.

Depreciation is calculated on a straight line basis over the estimated useful life of each asset.

The estimated useful lives are as follows:

1. Conventional vessels	30 years
2. High-speed vessels (Catamaran)	15 years
3. Buildings	60 years
4. Harbor establishments	10 years
5. Motor Vehicles	5 years
6. Furniture and fixtures	5 years
7. Hardware equipment	3 years

The residual value of the vessels is estimated at 20% of the acquisition cost. For the other fixed assets no residual value is calculated. The residual value and the useful life of fixed assets is reviewed annually.

Costs incurred subsequent to the acquisition of a vessel for the purpose of increasing the future economic benefits from the operation of the vessel or for compliance with new rules and safety regulations, are capitalised separately and are depreciated in 5 years.

Once the sale of a tangible asset is completed, the difference between the selling price and the net book value less any expenditure related to the sale, is recognised as gain or loss in the income statement.

2.6. Intangible assets

a) Trademarks

Trademarks are recognised at cost less accumulated depreciation and any impairment loss.

The cost of trademarks includes expenditure related to the development and registration of the trademarks in Greece and abroad.

The useful life of trademarks is 15 years and depreciation is calculated on a straight line basis.

b) Computer software

Computer software programs are recognised at cost less accumulated depreciation and any impairment loss.

The initial cost recognition, in addition to the licenses, includes installation, customizing and development expenses.

Expenditure which enhances or extends the performance of computer software programs beyond their original specifications is recognised as a capital expenditure and added to the original cost of the software.

Useful life of computer software is 8 years and depreciation is calculated on a straight line basis.

2.7. Impairment of assets

At each reporting date the assets are assessed as to whether there is any indication that an asset may be impaired. If any such indication exists, the entity estimates the recoverable amount of the asset. The recoverable amount of an asset or a cash generating unit is the higher of its fair value less costs to sell the asset and its value in use.

Impairment losses are recognised in the income statement.

2.8. Investments in property

An investment in property is initially recognised at cost. Transaction costs are included in the initial cost. Subsequent expenditure is added to the cost only if it is probable that future economic benefits are expected.

Subsequent to initial recognition, investment property is stated at cost less accumulated depreciation and any accumulated impairment losses.

2.9. Inventories

Inventories are stated at the lower value of cost and net realizable value. Net realizable value is the estimated selling price less applicable variable selling expenses. The cost of inventories is determined using the weighted average method.

2.10. Trade receivables

Trade receivables are short-term receivables to be collected in less than 12 months from the date of recognition and are initially recognised at fair value.

Subsequently, if the collection is delayed, trade receivables are measured at amortized cost using the effective interest rate, less any impairment loss.

Impairment loss is established when there is objective evidence that the Group will not be able to collect all the amounts due.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows.

The discounting of the above difference is calculated using the effective interest rate.

The amount of the provision is recognised in the income statement.

2.11. Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits in banks, other short-term highly liquid investments maturing within three months and bank overdrafts.

2.12 Share capital

Share capital consists of common ordinary shares and is included in shareholders' equity.

Costs directly attributable to the issue of new shares are shown in equity as a deduction from the share premium, net of tax.

Costs directly attributable to the issue of new shares for the acquisition of a new entity are recognised in the cost of the acquired entity.

The cost of treasury shares is deducted from equity until the shares are cancelled or disposed of. In this case profit or loss, net from direct costs, is included in shareholders' equity.

2.13. Dividends

Dividends payable are recognised as a liability when these are approved by the Shareholders' General Assembly.

2.14. Revenue

The revenue of the Group is derived from cargo, passengers and vehicles fares, on board sales and sales of travel agency services. The Group also has income from interest and dividends.

2.14.1. Revenue from fares

Revenue from fares is recognised as follows:

- a) For international routes: when the customer travels.
- b) For domestic routes: when the ticket is issued.

The above difference with regard to the recognition of income between international and domestic markets respectively, is due to the fact that tickets of domestic routes issued in a specific month but concerning the following months are not substantial compared with total income. Besides this, the cost of tracking changes of tickets between the period from the date of issuance to the date of traveling would be very significant compared with the benefit of such information.

2.14.2. Revenue from on board sales

Revenue from sales of goods and services on board is recognised upon delivery of goods or services.

Regarding the services provided by the Group through concessions, revenue is recognised when the invoice is issued for services relating to the period.

2.14.3. Revenue from travel agency services

Revenue from sales of air tickets are the sales commissions which the Group receives from airline companies and is recognised when the invoice is issued.

Revenue from tour operating packages is recognised when the appropriate invoice is issued.

All the above revenue is recognised when the collection of the related receivables is reasonably assured.

2.14.4. Interest income

Interest income is recognised on an accrual basis using the effective interest method.

2.14.5. Dividend income

Dividend income is recognised as revenue on the date the dividends are approved from the Shareholders' General Assembly of the entity which declares these.

2.15. Accounting for Government grants and disclosure of Government assistance

2.15.1. Government grants related to assets

Government grants that relate to assets are provided subject to the condition that the entity will purchase or construct long-term assets.

Government grants are recognised when it is certain that:

- a) The entity will comply with the conditions attaching to these.
- b) The grants will be received.

Government grants are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis, independently from the receipt of them.

2.15.2. Government grants related to income

Government grants related to income are recognised as income over the periods, on a systematic basis, in order to match the relevant costs.

2.16. Segment reporting

A business segment is a distinguishable component of an entity that is engaged in providing an individual product or service or a group of related products or services which are subject to risks and returns that are different from those of other business segments.

A geographical segment is a distinguishable component of an entity that is engaged in providing products or services within a particular economic environment and which is subject to risks and returns that are different from those of components operating in other economic environments.

The Group mainly operates in sea transportation services for passengers, private vehicles and cargo in several geographical areas. For this reason geographical segmentation is used.

The Group's geographical segments are the following:

- a) Greek Domestic Market
- b) Adriatic Sea
- c) Baltic Sea
- d) North Sea

The Group's vessels provide transportation services to passengers, private vehicles and cargo. The Company's sales are highly seasonal. The highest traffic for passengers and vehicles is observed during the months July, August and September while the lowest traffic for passengers and vehicles is observed between November and February. On the other hand, cargo sales are not affected significantly by seasonality.

2.17. Expenses

2.17.1. Borrowing costs

Borrowing costs are interest and other costs incurred by an entity in connection with the borrowing of funds.

Borrowing costs include:

- a) Interest on bank overdrafts and interest on short-term and long-term borrowings.
- b) Amortisation of discounts or premium relating to borrowings.
- c) Amortisation of ancillary costs incurred in connection with the arrangement of borrowings.
- d) Finance charges in respect of finance leases recognised in accordance with IAS 17 "Leases".
- e) Exchange differences arising from foreign currency borrowings to the extent that these are regarded as a cost additional to interest costs.

2.17.1.1. Recognition of borrowing cost

Borrowing costs are recognised as an expense in the period in which these are incurred unless these are related to the acquisition or construction of a qualifying asset. In this case, these are capitalised.

2.17.1.2. Capitalisation procedures of borrowing costs

The capitalisation of borrowing cost:

- a) Commences when the investment in an asset is taking place and borrowing cost exists.
- b) Is suspended when the investment is suspended for a long period.
- c) Ceases when all the activities necessary to prepare the qualifying asset for its intended use or sale are completed.

2.17.2. Employee benefits

2.17.2.1. Short-term benefits

The current obligations of the Group towards its personnel, in cash or in non-monetary items are recognised as expenses as soon as they are incurred unless these relate to services that are included in the cost of an asset.

2.17.2.2. Defined benefit plans

Defined benefit plan is a legal obligation of the Group that defines an amount of pension benefit that an employee will receive on retirement. The defined benefit obligation is calculated annually based on actuarial valuation performed by independent actuaries using the projected unit credit method. Actuarial gains or losses are recognised in the income statement.

2.17.3. Leases

2.17.3.1. Finance leases

Finance leases are recognised as assets and liabilities at amounts equal to the fair value of the leased property or, if lower, to the present value of the minimum lease payments.

The depreciation method of leased assets is similar to the method used for the other assets of the Group. Depreciation is calculated in accordance with IAS 16 “Property, plant and equipment” and IAS 38 “Intangible assets”. Therefore, paragraphs 2.5. “Tangible assets”, 2.6. “Intangible assets” and 2.7. “Impairment of assets” refer.

2.17.3.2. Operating leases

The lease payments for an operating lease are recognised as an expense and charged to the income statement.

2.17.4. Provisions, contingent liabilities and contingent assets

Provisions are recognised when:

- a) The Group has a present obligation, legal or construed, as result of a past event.
 - b) It is probable that an outflow of resources embodying economic benefits will be required to settle an obligation.
 - c) It is possible that a reliable estimation of the obligation can be made.
- Provisions should be reviewed at each balance sheet date.

Contingent liabilities or contingent assets are not recognised in the financial statements and are noted in the notes to the financial statements, provided the possibility of an outflow or inflow of economic benefits is remote.

2.17.5. Allocation of revenue and expenses

2.17.5.1. Allocation of joint revenue and expenses

As reported in paragraph 5.1.d, joint ventures and management companies which are consolidated in the Group, transfer all revenue and expenses relating to specific companies to these shipowning companies. This means that when revenue or expenses are incurred which are not related to specific shipowning companies, these expenses are allocated to the shipowning companies based on percentages arising from historical data.

2.17.5.2. Allocation of expenses on a monthly basis

The Group recognises insurance expenses and annual survey expenses in the income statement on a monthly basis because the above expenses relate to the whole year.

2.18. Current and deferred income taxes

For a better understanding of the manner in which the Group's income is taxed, the profits are classified based on their origin.

2.18.1. Income tax on profit from shipping activities

According to Law 27/1975, article 6, the shipowning companies carrying a Greek flag pay taxes based on the gross tonnage of the vessels, regardless of profits or losses. This tax is in effect an income tax which is readjusted according to the above law.

The payment of the above tax covers all obligations which are related to income tax with regard to shipping activities.

In this case, a permanent difference exists between taxable and accounting results, which will not be taken into consideration for the calculation of deferred taxation.

2.18.2. Income tax on profit from financial revenues

This category includes capital revenue which is recognised as taxable when it is distributed or capitalised. For the portion of the revenue which will not be distributed, a temporary taxable difference will result and a deferred tax liability will be recognised until the distribution of these profits.

The following are exempted:

- a) The interest on deposits which is taxable under the general rules of taxation.
- b) The dividends receivable from other companies which are not subject to Taxation and which are not taken into account for the calculation of deferred taxation.

2.18.3. Income tax on profit from non-shipping activities

In that case, the profits are subject to the provisions of the tax law and on occasions of calculation of deferred taxation, they will be estimated in accordance with IAS 12.

2.19. The effect of changes in foreign exchange rates

The functional currency of the Group is Euro.

Transactions in foreign currencies are translated into Euro at the exchange rate applying at the date of the transaction.

At each balance sheet date:

- a) Monetary items are translated using the closing rate.
- b) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transaction.

Exchange differences arising in the above cases are recognised in profit or loss in the period in which they are arise.

Exchange differences arising on the settlement of non-monetary items are recognised directly in shareholders' equity.

Exchange differences arising from the translation of the net investment in foreign entities are recognised in the income statement.

The above exchange differences are taken initially to shareholders' equity on consolidation and when the foreign entity is sold, such exchanges differences are recognised in the income statement.

2.20. Financial instruments

Basic financial instruments of the Group are:

a) Cash, bank deposits, short-term receivables and liabilities.

Given the short-term nature of these instruments, Group Management believe that their fair value is essentially identical to the value at which these are recorded in the accounting books of the Group.

b) Securities

Securities are titles that embody rights on specific financial assets which can be valued in cash.

Securities are initially recognised at cost which is the market price plus expenses related to the transaction.

Securities are held by the Group for trading purposes. This means that these are acquired with the intention of selling for a profit.

Subsequently securities are measured at fair value and any profit or loss is recognised in the income statement.

Fair values of listed securities in active markets are calculated with current prices.

For non negotiable securities, fair values are defined through various valuation methods such as the analysis of recent comparative transactions, estimation of future cash flows, etc.

c) Bank loans

Management believe that the interest rates of bank loans are almost equal to current market interest rates and therefore, it is not appropriate to adjust the value of these liabilities.

d) Bond Loans

Bond Loans are initially recognised at cost which is the true value including issuance expenses. Subsequently these are recognised at the carrying amount based on the effective interest rate method. Any difference between the amount collected at the issuance date, net of related expenses, and the amount repaid is recognised in the income statement using the effective interest rate method.

2.21. Earnings per share

Basic earnings per share are calculated by dividing the profit or loss for the period, attributable to ordinary equity shareholders, adjusted for the payment of dividends to preference shares, by the weighted average number of ordinary shares outstanding during the period.

For the purpose of calculating basic earnings per share for the consolidated financial statements the numerator includes profit or loss attributable to equity shareholders of the parent company and the denominator includes the weighted average number of ordinary shares outstanding during the period.

3. Financial risk management

3.1. Financial risk factors

a) Market risk

The Group operates in the European Monetary Union (Eurozone) and in United Kingdom.

The foreign exchange risk arising from operating in the market of North Sea is not significant because the revenue in UK pounds is less than 10% of the total revenue of the Group.

The Group rarely buys foreign currencies in advance or enters into forward contracts.

Provisions for spare parts, other materials or services in foreign currencies outside the Euro-zone are not substantial compared to the total amounts spent for provisions.

b) Credit risk

The Group has established credit control procedures in order to minimize the possibility of credit risk.

The Group estimates that there is no considerable concentration of trade receivables except in the case of "Attica Premium SA" which is 100% subsidiary company and therefore there is no credit risk.

The Group has defined credit limits and specific credit conditions for all of its customers.

Furthermore, the Group has obtained bank guarantees from major customers, in order to secure its trade receivables.

c) Liquidity risk

The liquidity risk is at a very low level because the Group maintains sufficient cash and also has a high credit rating from banks.

d) Interest rate risk

The borrowings of the Group are linked to floating interest rates.

In order to manage the interest rate risk, the Group has entered an interest rate hedge for the next five years covering the largest part of the long-term borrowings.

3.2. Determination of fair values

The fair value of financial instruments which are negotiable in active markets is calculated by using the closing price published at the balance sheet date.

The asking price is used for financial assets and the bid price is used for financial liabilities.

Nominal value of trade receivables, after related provisions, is approaching their fair value.

4. Transition to IFRS

4.1. Accounting policies of transition

These financial statements have been prepared on the basis of the International Accounting Standards. The date of transition to IAS is the beginning of business on 1 January 2004.

You will find more information about the preparation of these financial statements in paragraph 2.1. of these notes.

The adjustments made by the Group in order to apply IFRS are presented in the table that follows:

**IFRS ADJUSTMENTS IN NET EQUITY AT THE BEGINNING OF THE PERIOD (1/1/2005 & 1/1/2004 RESPECTIVELY)
FOR THE TRANSITION FROM GREEK GAAP TO IFRS**

	GROUP	
	<u>01/01/2005</u>	<u>01/01/2004</u>
Net equity as previously reported under Greek GAAP	362.635	337.161
Recognition of deferred tax liabilities	(107)	(3)
Change in economic useful life of tangible and intangible assets	1.433	1.247
Write-off of long-term depreciation expenses	(1.639)	(3.366)
Presentation of Bond Loan according to IFRS	(912)	(1.325)
Valuation of Investments	287	(287)
Presentation of sale of tangible assets on credit according to IFRS	170	136
Adjustment of leasing contracts according to IFRS	397	67
Derecognition of dividends as a liability until approved by the Annual General Assembly	11.559	7.775
Derecognition of Board of Directors' fees as a liability until approved by the Annual General Assembly	55	55
Recognition of foreign exchange differences in income statement	35	(737)
Recognition of provision for staff termination	161	149
Differences arising from the change of the consolidation method of a subsidiary Company	774	(134)
Other adjustments	(2.044)	
Net equity at the beginning of the period, excluding minority interests, according to IFRS	<u>372.804</u>	<u>340.738</u>

	COMPANY	
	<u>01/01/2005</u>	<u>01/01/2004</u>
Net equity as previously reported under Greek GAAP	166.707	188.394
Recognition of deferred tax liabilities	(267)	(263)
Write-off of long-term depreciation expenses	(381)	(737)
Valuation of Investments	287	(21.074)
Derecognition of dividends as a liability until approved by the Annual General Assembly	8.334	5.817
Net equity at the beginning of the period, excluding minority interests, according to IFRS	<u>174.680</u>	<u>172.137</u>

4.2. Exemptions

4.2.1. Exemption of business combinations

The Group has applied the exemption of business combinations according to IFRS 1.

4.2.2. Employee benefits exemption

The Group has elected to recognise all cumulative actuarial gains and losses as at 1 January 2004.

4.2.3. Estimates

Estimates under IFRS at 1 January 2004 are consistent with estimates made for the same date under previous Greek GAAP, unless there is evidence that those estimates were wrong.

4.2.4. Reconciliation between IFRS and Greek GAAP

The following reconciliation provide an overview of the impact of IFRS adjustments as at 1 January 2004 and 31 December 2004.

4.2.4.1. Consolidated Balance Sheet reconciliation as at 1 January 2004

	GROUP		
	<u>GREEK</u> <u>GAAP</u>	<u>IFRS</u> <u>Adjustments</u>	<u>IFRS</u>
ASSETS			
<u>Non-current assets</u>			
Tangible assets	1.221.020	1.450	1.222.470
Intangible assets	5.005	(1.508)	3.497
Investments in subsidiaries-associated companies	2.401	(985)	1.416
Non-current receivables	68		68
	1.228.494	(1.043)	1.227.451
<u>Current assets</u>			
Inventories	3.648		3.648
Trade receivables and prepayments	59.881	(1.412)	58.469
Tax receivables			
Receivables from subsidiaries-associated companies			
Other receivables	10.779	4.106	14.885
Financial assets held for trading	2.931		2.931
Cash and cash equivalents	152.105	6.752	158.857
Deferred expenses	9.640		9.640
Accrued income	189		189
	239.173	9.446	248.619
Total assets	1.467.667	8.403	1.476.070
EQUITY AND LIABILITIES			
<u>Equity</u>			
Share capital	93.756		93.756
Reserves	205.685	3.578	209.263
Retained Earnings	37.719		37.719
Total equity	337.160	3.578	340.738
Minority interests in subsidiaries	92.862	227	93.089
<u>Non-current liabilities</u>			
Secured loans	840.981	1.726	842.707
Finance leases		286	286
Deferred tax liabilities		263	263
Retirement benefit provisions	832	(128)	704
Other provisions	893	105	998
	842.706	2.252	844.958
<u>Current liabilities</u>			
Bank loans and overdrafts	13.324	294	13.618
Current portion of long term liabilities	120.335	(15.951)	104.384
Trade and other payables	36.427	17.446	53.873
Tax liabilities	2.777		2.777
Deferred income	3.717		3.717
Accrued expenses	18.359	557	18.916
	194.939	2.346	197.285
Total equity and liabilities	1.467.667	8.403	1.476.070

4.2.4.2. Company's Balance Sheet reconciliation as at 1 January 2004

	COMPANY		
	<u>GREEK</u> <u>GAAP</u>	<u>IFRS</u> Adjustments	<u>IFRS</u>
<u>ASSETS</u>			
<u>Non-current assets</u>			
Tangible assets	4		4
Intangible assets	852	(737)	115
Investments in subsidiaries-associated companies	223.224	(21.451)	201.773
Non-current receivables			
	<u>224.080</u>	<u>(22.188)</u>	<u>201.892</u>
<u>Current assets</u>			
Inventories			
Trade receivables and prepayments			
Tax receivables			
Receivables from subsidiaries-associated companies	30.000		30.000
Other receivables	400	308	708
Financial assets held for trading	2.903		2.903
Cash and cash equivalents	22.372		22.372
Deferred expenses			
Accrued income	23		23
	<u>55.698</u>	<u>308</u>	<u>56.006</u>
Total assets	<u>279.778</u>	<u>(21.880)</u>	<u>257.898</u>
<u>EQUITY AND LIABILITIES</u>			
<u>Equity</u>			
Share capital	93.756		93.756
Reserves	94.638	(16.257)	78.381
Retained Earnings			
Total equity	<u>188.394</u>	<u>(16.257)</u>	<u>172.137</u>
<u>Minority interests in subsidiaries</u>			
<u>Non-current liabilities</u>			
Secured loans	30.000		30.000
Deferred tax liabilities		263	263
Retirement benefit provisions	46		46
Other provisions			
	<u>30.046</u>	<u>263</u>	<u>30.309</u>
<u>Current liabilities</u>			
Bank loans and overdrafts	9.931		9.931
Current portion of long term liabilities	45.000		45.000
Trade and other payables	5.879	(5.816)	63
Tax liabilities	13		13
Accrued expenses	515	(70)	445
	<u>61.338</u>	<u>(5.886)</u>	<u>55.452</u>
Total equity and liabilities	<u>279.778</u>	<u>(21.880)</u>	<u>257.898</u>

4.2.4.3. Consolidated Balance Sheet reconciliation as at 31 December 2004

	GROUP		
	<u>GREEK</u> <u>GAAP</u>	<u>IFRS</u> <u>Adjustments</u>	<u>IFRS</u>
ASSETS			
<u>Non-current assets</u>			
Tangible assets	1.137.758	1.679	1.139.437
Intangible assets	2.143	277	2.420
Investments in subsidiaries-associated companies	2.815	(2.806)	9
Non-current receivables	76	(19)	57
	<u>1.142.792</u>	<u>(869)</u>	<u>1.141.923</u>
<u>Current assets</u>			
Inventories	3.222		3.222
Trade receivables and prepayments	52.120	(816)	51.304
Tax receivables		1.973	1.973
Receivables from subsidiaries-associated companies			
Other receivables	5.935	2.212	8.147
Financial assets held for trading	3.307		3.307
Cash and cash equivalents	138.315	4.693	143.008
Deferred expenses	8.330	57	8.387
Accrued income	5	130	135
	<u>211.234</u>	<u>8.249</u>	<u>219.483</u>
Total assets	<u>1.354.026</u>	<u>7.380</u>	<u>1.361.406</u>
<u>EQUITY AND LIABILITIES</u>			
<u>Equity</u>			
Share capital	93.756		93.756
Reserves	265.451	10.169	275.620
Retained Earnings	3.428		3.428
Total equity	<u>362.635</u>	<u>10.169</u>	<u>372.804</u>
Minority interests in subsidiaries	<u>94.755</u>	<u>(671)</u>	<u>94.084</u>
<u>Non-current liabilities</u>			
Secured loans	699.856		699.856
Unsecured loans	25.000		25.000
Finance leases		602	602
Deferred tax liabilities		267	267
Retirement benefit provisions	914	(24)	890
Other provisions	1.563	27	1.590
	<u>727.333</u>	<u>872</u>	<u>728.205</u>
<u>Current liabilities</u>			
Bank loans and overdrafts	13.324		13.324
Current portion of long term liabilities	102.143	2.973	105.116
Trade and other payables	33.687	(5.603)	28.084
Tax liabilities	2.039	1.112	3.151
Deferred income	2.850		2.850
Accrued expenses	15.259	(1.471)	13.788
	<u>169.303</u>	<u>(2.990)</u>	<u>166.313</u>
Total equity and liabilities	<u>1.354.026</u>	<u>7.380</u>	<u>1.361.406</u>

4.2.4.4. Company's Balance Sheet reconciliation as at 31 December 2004

	COMPANY		
	<u>GREEK</u> GAAP	<u>IFRS</u> Adjustments	<u>IFRS</u>
ASSETS			
<u>Non-current assets</u>			
Tangible assets	421	(418)	3
Intangible assets	80	37	118
Investments in subsidiaries-associated companies	184.470	287	184.756
Non-current receivables			
	<u>184.971</u>	<u>(94)</u>	<u>184.877</u>
<u>Current assets</u>			
Inventories			
Trade receivables and prepayments			
Tax receivables	101		101
Receivables from subsidiaries-associated companies	30.000		30.000
Other receivables	3		3
Financial assets held for trading	3.280		3.280
Cash and cash equivalents	22.181		22.181
Deferred expenses			
Accrued income	4		4
	<u>55.569</u>		<u>55.569</u>
Total assets	<u>240.540</u>	<u>(94)</u>	<u>240.446</u>
<u>EQUITY AND LIABILITIES</u>			
<u>Equity</u>			
Share capital	93.756		93.756
Reserves	72.951	7.973	80.924
Retained Earnings			
Total equity	<u>166.707</u>	<u>7.973</u>	<u>174.680</u>
<u>Minority interests in subsidiaries</u>			
<u>Non-current liabilities</u>			
Secured loans			
Unsecured loans	25.000		25.000
Finance leases			
Deferred tax liabilities		267	267
Retirement benefit provisions	54		54
Other provisions			
	<u>25.054</u>	<u>267</u>	<u>25.321</u>
<u>Current liabilities</u>			
Bank loans and overdrafts	9.931		9.931
Current portion of long term liabilities	30.000		30.000
Trade and other payables	8.431	(8.334)	97
Payables to subsidiaries-associated companies			
Tax liabilities			
Accrued expenses	417		417
	<u>48.779</u>	<u>(8.334)</u>	<u>40.445</u>
Total equity and liabilities	<u>240.540</u>	<u>(94)</u>	<u>240.446</u>

4.2.4.5. Consolidated Income Statement reconciliation for the period 1/1-31/12/2004

	GROUP		
	<u>Greek</u> <u>GAAP</u>	<u>IFRS</u> <u>Adjustments</u>	<u>IFRS</u>
Revenue	365.438	5.815	371.253
Cost of sales	(200.638)	(10.811)	(211.449)
Gross Profit/(loss)	164.800	(4.996)	159.804
Other operating income	2.768	208	2.976
Administrative expenses	(21.929)	(4.764)	(26.693)
Distribution expenses	(43.595)	12.227	(31.368)
Earnings before taxes, investing and financial results, depreciation and amortization	102.044	2.675	104.719
Depreciation and amortization	(38.943)	966	(37.977)
Earnings before taxes, investing and financial results	63.101	3.641	66.742
Dividends from subsidiaries and other entities	567	(511)	56
Interest & other similar income	3.001	74	3.075
Interest and other financial expenses	(34.943)	(1.332)	(36.275)
Foreign exchange differences	(2.244)		(2.244)
Financial results	(33.619)	(1.769)	(35.388)
Profit/(loss) from vessels' disposal	10.419		10.419
Profit/(loss) before taxes	39.901	1.872	41.773
Taxes	(529)	(229)	(758)
Profit/(loss) after taxes	39.372	1.643	41.015

4.2.4.6. Company's Income Statement Reconciliation for the period 1/1-31/12/2004

	COMPANY		
	<u>Greek</u> <u>GAAP</u>	<u>IFRS</u> <u>Adjustments</u>	<u>IFRS</u>
Revenue			
Cost of sales			
Gross Profit/(loss)			
Other operating income			
Administrative expenses	(936)	111	(825)
Distribution expenses			
Earnings before taxes, investing and financial results, depreciation and amortization	(936)	111	(825)
Depreciation and amortization	(413)	356	(57)
Earnings before taxes, investing and financial results	(1.349)	467	(882)
Dividends from subsidiaries and other entities	16.266		16.266
Interest & other similar income	370		370
Interest and other financial expenses	(7.449)		(7.449)
Foreign exchange differences			
Financial results	9.187		9.187
Profit/(loss) from vessels' disposal			
Profit/(loss) before taxes	7.838	467	8.305
Taxes		(116)	(116)
Profit/(loss) after taxes	7.838	351	8.189

5. Related Party disclosures

5.1. Intercompany transactions

- a) The intercompany transactions between the parent company and its subsidiaries relate to services (i.e. issuance of airline tickets) provided by the 100% subsidiary Attica Premium SA.
- b) There are no intercompany transactions between Superfast Group and Blue Star Group, whose shares are controlled 100% and 48,795 % respectively by Attica Group.
- c) There are no intercompany transactions between the subsidiaries of Superfast Group and the subsidiaries of Blue Star Group.
- d) Attica Holdings SA consolidates two joint ventures and two companies that operate under the Law 378/68, which create intercompany transactions with shipowning companies.

Superfast Dodeka (Hellas) Inc. and Co. Joint Venture and the management company Superfast Ferries SA are responsible, under a contractual agreement with the subsidiaries of Superfast Group, for the revenue and common expenses of the vessels that operate in international routes.

Also Superfast Dodeka (Hellas) Inc. and Co. Joint Venture is responsible, under a contractual Agreement, with Blue Star for the common revenue and expenses of the vessels that operate in international routes.

At the end of each month the above mentioned revenue and expenses are transferred to the shipowning companies.

Blue Star Ferries Joint Venture and the management Company Blue Star Ferries SA are responsible, under a contractual agreement with the subsidiaries of Blue Star Group, for the revenue and common expenses of vessels. Blue Star Ferries Joint Venture is responsible for the revenue and expenses of the vessels that operate in domestic routes and Blue Star Ferries SA is responsible for the revenue and common expenses of the vessels that operate in international routes. At the end of each month the above mentioned revenue and expenses are transferred to the shipowning companies.

- e) Attica Premium SA, a 100% subsidiary of Attica Holdings SA, is, according to a contractual agreement, the Premium Sales Agent for Superfast and Blue Star.

For these sales, Attica Premium SA receives commission which result in intercompany transactions.

- f) During 2005 ATTICA HOLDINGS S.A. had not performed any intercompany transactions that create commercial revenue.

The capital transactions of ATTICA HOLDINGS S.A. with its subsidiaries during 2005 are the following:

- The company received from its subsidiary BLUE STAR MARITIME S.A. through EUROBANK S.A. (acting as Agent) the following amounts:

The amount of € 993,958.33 that refers to the interest payable for the third interest period of the convertible bond loan.

An additional payment of € 3,585,000 payable at the end of the loan, as well as the amount of € 30 million which represents repayment of the convertible bond loan.

- The company received the amount of €10,274,913.02 as dividend of fiscal year 2004 from its 100% subsidiary SUPERFAST FERRIES MARITIME S.A.
- The company received the amount of € 3.074.100 as dividend of fiscal year 2004 from its 100% subsidiary BLUE STAR MARITIME S.A.
- The Annual General Meeting of SUPERFAST FERRIES MARITIME S.A. has decided to return capital to its parent entity ATTICA HOLDINGS S.A. with simultaneous reduction of its share capital. The received payment amounted € 26,019,000.

The intercompany balances as at 31/12/2005 can be found in the following table.

Intercompany balances of SUPERFAST Group

COMPANY	SUPERFAST ENA INC.		SUPERFAST ENA (HELLAS) INC.		SUPERFAST DIO INC.		SUPERFAST DIO (HELLAS) INC.		SUPERFAST TRIA INC.		SUPERFAST TRIA (HELLAS) INC.	
	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT
SUPERFAST ENA INC.												
SUPERFAST ENA (HELLAS) INC.												
SUPERFAST DIO INC.												
SUPERFAST DIO (HELLAS) INC.												
SUPERFAST TRIA INC.												
SUPERFAST TRIA (HELLAS) INC.												
SUPERFAST TESSERA INC.												
SUPERFAST TESSERA (HELLAS) INC.												
SUPERFAST PENTE INC.												
SUPERFAST PENTE (HELLAS) INC.												
SUPERFAST EXI INC.												
SUPERFAST EXI (HELLAS) INC.												
SUPERFAST EPTA MC												
SUPERFAST EPTA INC.												
SUPERFAST OKTO MC												
SUPERFAST OKTO INC.												
SUPERFAST ENNEA MC												
SUPERFAST ENNEA INC.												
SUPERFAST DEKA MC												
SUPERFAST DEKA INC.												
SUPERFAST ENDEKA INC.												
SUPERFAST ENDEKA (HELLAS) INC.												
SUPERFAST DODEKA INC.												
SUPERFAST DODEKA (HELLAS) INC.												
NORDIA MC												
MARIN MC												
SUPERFAST FERRIES S.A.	6.116			17	9.384			20	645			6
SUPERFAST DODEKA (HELLAS) INC. & CO JOINT VENTURE												
SUPERFAST FERRIES MARITIME S.A.												
TOTAL	6.116			17	9.384			20	645			6

Intercompany balances of SUPERFAST Group-Continued

COMPANY	SUPERFAST TESSERA INC.		SUPERFAST TESSERA (HELLAS) INC.		SUPERFAST PENTE INC.		SUPERFAST PENTE (HELLAS) INC.		SUPERFAST EXI INC.		SUPERFAST EXI (HELLAS) INC.	
	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT
SUPERFAST ENA INC.												
SUPERFAST ENA (HELLAS) INC.												
SUPERFAST DIO INC.												
SUPERFAST DIO (HELLAS) INC.												
SUPERFAST TRIA INC.												
SUPERFAST TRIA (HELLAS) INC.												
SUPERFAST TESSERA INC.												
SUPERFAST TESSERA (HELLAS) INC.												
SUPERFAST PENTE INC.								43.194				
SUPERFAST PENTE (HELLAS) INC.					43.194							
SUPERFAST EXI INC.												43.677
SUPERFAST EXI (HELLAS) INC.									43.677			
SUPERFAST EPTA MC												
SUPERFAST EPTA INC.												
SUPERFAST OKTO MC												
SUPERFAST OKTO INC.												
SUPERFAST ENNEA MC												
SUPERFAST ENNEA INC.												
SUPERFAST DEKA MC												
SUPERFAST DEKA INC.												
SUPERFAST ENDEKA INC.												
SUPERFAST ENDEKA (HELLAS) INC.												
SUPERFAST DODEKA INC.												
SUPERFAST DODEKA (HELLAS) INC.												
NORDIA MC												
MARIN MC												
SUPERFAST FERRIES S.A.	68			5		28.092		8.074		30.833		9.600
SUPERFAST DODEKA (HELLAS) INC. & CO JOINT VENTURE							52.126				53.387	
SUPERFAST FERRIES MARITIME S.A.												
TOTAL	68			5	43.194	28.092	52.126	51.268	43.677	30.833	53.387	53.276

Intercompany balances of SUPERFAST Group-Continued

COMPANY	SUPERFAST EPTA MC		SUPERFAST EPTA INC.		SUPERFAST OKTO MC		SUPERFAST OKTO INC.		SUPERFAST ENNEA MC		SUPERFAST ENNEA INC.	
	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT
SUPERFAST ENA INC.												
SUPERFAST ENA (HELLAS) INC.												
SUPERFAST DIO INC.												
SUPERFAST DIO (HELLAS) INC.												
SUPERFAST TRIA INC.												
SUPERFAST TRIA (HELLAS) INC.												
SUPERFAST TESSERA INC.												
SUPERFAST TESSERA (HELLAS) INC.												
SUPERFAST PENTE INC.												
SUPERFAST PENTE (HELLAS) INC.												
SUPERFAST EXI INC.												
SUPERFAST EXI (HELLAS) INC.												
SUPERFAST EPTA MC												
SUPERFAST EPTA INC.												
SUPERFAST OKTO MC												
SUPERFAST OKTO INC.												
SUPERFAST ENNEA MC												
SUPERFAST ENNEA INC.												
SUPERFAST DEKA MC												
SUPERFAST DEKA INC.												
SUPERFAST ENDEKA INC.												
SUPERFAST ENDEKA (HELLAS) INC.												
SUPERFAST DODEKA INC.												
SUPERFAST DODEKA (HELLAS) INC.												
NORDIA MC												
MARIN MC												
SUPERFAST FERRIES S.A.		90.067	266		87.294	268			63.797	532		
SUPERFAST DODEKA (HELLAS) INC. & CO JOINT VENTURE	82.246				85.226				43.672			
SUPERFAST FERRIES MARITIME S.A.												
TOTAL	82.246	90.067	266		85.226	87.294	268		43.672	63.797	532	



Intercompany balances of SUPERFAST Group-Continued

COMPANY	SUPERFAST DEKA MC		SUPERFAST DEKA INC.		SUPERFAST ENDEKA INC.		SUPERFAST ENDEKA (HELLAS) INC.		SUPERFAST DODEKA INC.		SUPERFAST DODEKA (HELLAS) INC.	
	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT
SUPERFAST ENA INC.												
SUPERFAST ENA (HELLAS) INC.												
SUPERFAST DIO INC.												
SUPERFAST DIO (HELLAS) INC.												
SUPERFAST TRIA INC.												
SUPERFAST TRIA (HELLAS) INC.												
SUPERFAST TESSERA INC.												
SUPERFAST TESSERA (HELLAS) INC.												
SUPERFAST PENTE INC.												
SUPERFAST PENTE (HELLAS) INC.												
SUPERFAST EXI INC.												
SUPERFAST EXI (HELLAS) INC.												
SUPERFAST EPTA MC												
SUPERFAST EPTA INC.												
SUPERFAST OKTO MC												
SUPERFAST OKTO INC.												
SUPERFAST ENNEA MC												
SUPERFAST ENNEA INC.												
SUPERFAST DEKA MC												
SUPERFAST DEKA INC.												
SUPERFAST ENDEKA INC.								41.528				
SUPERFAST ENDEKA (HELLAS) INC.					41.528							
SUPERFAST DODEKA INC.												38.383
SUPERFAST DODEKA (HELLAS) INC.									38.383			
NORDIA MC												
MARIN MC												
SUPERFAST FERRIES S.A.		59.166	515			15.434		4.880		13.064		4.586
SUPERFAST DODEKA (HELLAS) INC. & CO JOINT VENTURE	43.397							46.736				43.623
SUPERFAST FERRIES MARITIME S.A.												
TOTAL	43.397	59.166	515		41.528	15.434	46.736	46.408	38.383	13.064	43.623	42.969

Intercompany balances of SUPERFAST Group-Continued

COMPANY	NORDIA MC		MARIN MC		SUPERFAST FERRIES MARITIME S.A.		SUPERFAST FERRIES S.A.		SUPERFAST DODEKA (HELLAS) INC. & CO JOINT VENTURE	
	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT
	SUPERFAST ENA INC.								6.116	
SUPERFAST ENA (HELLAS) INC.							17			
SUPERFAST DIO INC.								9.384		
SUPERFAST DIO (HELLAS) INC.							20			
SUPERFAST TRIA INC.								645		
SUPERFAST TRIA (HELLAS) INC.							6			
SUPERFAST TESSERA INC.								68		
SUPERFAST TESSERA (HELLAS) INC.							5			
SUPERFAST PENTE INC.							28.092			
SUPERFAST PENTE (HELLAS) INC.							8.074			52.126
SUPERFAST EXI INC.							30.833			
SUPERFAST EXI (HELLAS) INC.							9.600			53.387
SUPERFAST EPTA MC							90.067			82.246
SUPERFAST EPTA INC.								266		
SUPERFAST OKTO MC							87.294			85.226
SUPERFAST OKTO INC.								268		
SUPERFAST ENNEA MC							63.797			43.672
SUPERFAST ENNEA INC.								532		
SUPERFAST DEKA MC							59.166			43.397
SUPERFAST DEKA INC.								515		
SUPERFAST ENDEKA INC.							15.434			
SUPERFAST ENDEKA (HELLAS) INC.							4.880			46.736
SUPERFAST DODEKA INC.							13.064			
SUPERFAST DODEKA (HELLAS) INC.							4.586			43.623
NORDIA MC							1.822			2.822
MARIN MC							1.617			2.866
SUPERFAST FERRIES S.A.		1.822		1.617					420.147	
SUPERFAST DODEKA (HELLAS) INC. & CO JOINT VENTURE	2.822		2.866					420.147		
SUPERFAST FERRIES MARITIME S.A.										
TOTAL	2.822	1.822	2.866	1.617			418.372	437.942	420.147	456.102

Reconciliation of intercompany balances:

Total debit:	1.479.197
Total credit:	<u>1.479.197</u>
Balance	0

Intercompany Balances of Blue Star Group

COMPANY	THELMO MARINE S.A.		WATERFRONT NAVIGATION CO.		BLUE STAR FERRIES S.A.		STRINTZIS LINES SHIPPING LTD.	
	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT
BLUE STAR MARITIME S.A.		68		1	160.131	198.976	11.082	147
THELMO MARINE S.A.					8			
WATERFRONT NAVIGATION CO.								
STRINTZIS LINES SHIPPING LTD.					31.635	21.989		
BLUE STAR FERRIES MARITIME S.A.					179.747	125.277	8	19
BLUE STAR FERRIES S.A.		8					21.989	31.635
BLUE STAR FERRIES JOINT VENTURE					3.031	1.532	690	1.487
BLUE ISLAND SHIPPING INC.					6.023	5.067		488
TOTAL		76		1	380.575	352.841	33.769	33.776

COMPANY	BLUE STAR MARITIME S.A.		BLUE STAR FERRIES JOINT VENTURE		BLUE STAR FERRIES MARITIME S.A.		BLUE ISLAND SHIPPING INC.	
	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT
BLUE STAR MARITIME S.A.			150.092	201.951	133	384	10.479	10.039
THELMO MARINE S.A.	68							
WATERFRONT NAVIGATION CO.	1							
STRINTZIS LINES SHIPPING LTD.	147	11.082	1.487	690	19	8	488	
BLUE STAR FERRIES MARITIME S.A.	384	133	320.689	249.428				
BLUE STAR FERRIES S.A.	198.976	160.131	1.532	3.031	125.277	179.747	5.067	6.023
BLUE STAR FERRIES JOINT VENTURE	201.951	150.092			249.428	320.689		
BLUE ISLAND SHIPPING INC.	10.039	10.479						
TOTAL	411.566	331.917	473.800	455.100	374.857	500.828	16.033	16.062

Reconciliation of Intercompany Balances

Total debit :	1.690.601
Total credit :	<u>1.690.601</u>
Balance	0

Attica Premium S.A.

Reconciliation of intercompany balances:

	31/12/2005		31/12/2004	
	Debit	Credit	Debit	Credit
Superfast Group		12.948		9.431
Blue Star Group		1.264		727
		<u>14.212</u>		<u>10.158</u>

Sales to associated companies:

	1/1-31/12/2005		1/1-31/12/2004	
	Debit	Credit	Debit	Credit
Superfast Group		10.545		9.752
Blue Star Group		755		888
		<u>11.300</u>		<u>10.640</u>

Furthermore, there are intercompany transactions between Superfast Dodeka (Hellas) Inc. and Co Joint Venture and Blue Star Group amounting to € 5.194 thousand approximately.

5.2. Participation of the members of the Board of Directors to the Board of Directors of other companies

- a) Mr Pericles S. Panagopoulos and Mr Alexander P. Panagopoulos, members of the Board of Directors, are also members of the Boards of Directors of Attica Premium SA, of all the companies of Superfast Group and of selected companies of Blue Star Group.
- b) Additionally, Mr Pericles S. Panagopoulos and Mr Alexander P. Panagopoulos participate in the management of a number of foreign companies, mainly shipping companies, that are represented by Magna Marine Inc, which is established in Greece under Law 378/68.

No other business exists between these companies and Attica Holdings SA., except with Odyssey Maritime Inc and Pellucid Trade Inc owners of the buildings on 157 C. Karamanli Avenue and 139 Vasileos Pavlou in Voula, Greece, where the headquarters of the Group are located. Rent paid by the Group to the above companies for the period 1/1-31/12/2005 totalled an amount of € 357 thousand.

- c) Mr Charalambos Zavitsanos, authorized director, and Mr Yannis Criticos, director, are also members of the Board of Directors of Superfast Ferries Maritime SA, a 100% subsidiary.
- d) Mr Charalambos Paschalis, a non-executive member of the Board, is also the President – non executive member of the Board of Directors of Blue Star Maritime SA and Blue Star Ferries Maritime SA.

e) Mr Dimitrios Klados and Mr Emmanouil Kalpadakis, non-executive members, are also members of the Board of Directors of Blue Star Maritime SA.

6. Financial statements analysis

Due to the disposal of 5 vessels during 2004 and acquisition of 2 Ro-Ro vessels during 2005, the financial data of the years 2005 and 2004 are not comparable.

6.1. Revenue Analysis and Geographical Segments Report

As already stated in paragraph 2.16, the Group has decided to provide information based on the geographical segmentation of its operations.

The consolidated results and other information per segment for the period 1/1 – 31/12 2005 and 2004 are as follows:

6.1. Geographical Segment	GROUP					Total
	1/1-31/12/2005					
	Domestic Routes	Adriatic Sea	Baltic Sea	North Sea	Other	
Revenue from Fares	90.066	139.120	73.026	39.450		341.662
On-board Sales	7.190	24.668	3.305	3.092		38.255
Travel Agency Services					5.201	5.201
Total Revenue	97.256	163.788	76.331	42.542	5.201	385.118
Financial results	(5.092)	(11.234)	(4.485)	(3.667)	820	(23.658)
Profit/(Loss) before Taxes	17.856	13.296	5.289	1.539	82	38.061
Profit/(Loss) after Taxes	17.537	13.029	5.241	1.509	(273)	37.042
Vessels' Book Value at 01/01	224.632	507.326	197.288	205.473		1.134.719
Improvements / Additions	714	383	14.500			15.597
Vessels' Disposals			100.159	(100.159)		
Depreciation for the Period	(7.374)	(15.690)	(6.920)	(5.529)		(35.512)
Net Book Value of vessels at 31/12	217.972	492.019	305.027	99.785		1.114.803
Secured loans	115.385	306.287	191.129	65.163		677.965

There are no transactions related to income and expenses between segments.

The vessels' values represent the tangible assets in the geographical segments, which the vessels operate in.

Secured loans are the loans obtained by the Group for the acquisition and construction of vessels.

6.1.

	GROUP					
	1/1-31/12/2004					
Geographical Segment	Domestic Routes	Adriatic Sea	Baltic Sea	North Sea	Other	Total
Revenue from Fares	92.034	138.270	58.234	39.642		328.180
On-board Sales	9.032	21.521	3.267	3.438		37.258
Travel Agency Services					5.815	5.815
Total Revenue	101.066	159.791	61.501	43.080	5.815	371.253
Financial results	(9.477)	(10.169)	(4.152)	(3.964)	(7.627)	(35.388)
Profit/(Loss) before Taxes	8.022	31.932	6.757	1.000	(5.936)	41.773
Profit/(Loss) after Taxes	7.752	31.617	6.723	964	(6.040)	41.015
Vessels' Book Value at 01/01	330.767	478.169	203.149	208.075		1.220.161
Improvements / Additions	723			3.396		4.119
Vessels' Disposals	(2.186)	(51.256)				(53.442)
Depreciation for the Period	(10.394)	(13.866)	(5.861)	(5.998)		(36.119)
Net Book Value of vessels at 31/12	318.910	413.047	197.288	205.473		1.134.719
Secured loans	136.346	288.376	131.089	144.045		699.856

The Revenues that appear in the Group's Consolidated Financial Statements for the period 01/01 - 31/12/2005 belong to the following Business Activity

Categories:

Sea & Coastal Transportation	343.173
Restaurants on board	11.482
Bars on board	15.971
Casino on board	5.628
Shops on board	3.663
Travel agency services	5.201
Total	<u>385.118</u>

6.2. Cost of sales

Below can be obtained the Cost of Sales Analysis as stated in the Income Statement for the fiscal years ended 31/12 2005 and 2004.

	GROUP		COMPANY	
	1/1-31/12/2005	1/1-31/12/2004	1/1-31/12/2005	1/1-31/12/2004
Crew Expenses	54.229	56.918		
Fuel-Lubricants	101.875	74.624		
Insurance Premia	4.763	5.216		
Repairs-Maintenance-Spare Parts	31.869	34.000		
Port Expenses	22.351	23.004		
On-board Cost of Goods Sold	6.990	6.993		
Other	569	1.543		
Cost of Travel Agency Services	7.774	9.151		
Total	230.420	211.449	0	0

6.3. Other Operating Income

The item “Other Operating Income”, amounting € 4.472 thousand, refer mainly to subventions received by:

- a) The Ministry of Development for the conversion of a vessel in Greek Shipyards.
- b) The Ministry of Mercantile Marine for employing and training officer cadets.
- c) Scottish Enterprise.

6.4. Administrative Expenses

	GROUP		COMPANY	
	1/1-31/12/2005	1/1-31/12/2004	1/1-31/12/2005	1/1-31/12/2004
Personnel Expenses	13.827	12.799	421	350
Rent and related Expenses	1.862	1.702	17	18
Telecommunication Expenses	708	778	6	12
Stationery	537	687	41	45
Office Repair-Maintenance Expenses	1.273	1.007	13	6
Third Party Services & Expenses	1.501	1.791	90	233
Other	5.499	7.929	204	161
Total	25.207	26.693	792	825

6.5. Distribution Expenses

	GROUP		COMPANY	
	1/1-31/12/2005	1/1-31/12/2004	1/1-31/12/2005	1/1-31/12/2004
Advertising Expenses	7.327	9.219		
Sales Promotional Expenses	1.910	706		
Sales Commissions	22.222	20.224		
Other	3.400	1.219	17	
Total	34.859	31.368	17	0

6.6. Depreciation

	GROUP		COMPANY	
	1/1-31/12/2005	1/1-31/12/2004	1/1-31/12/2005	1/1-31/12/2004
Vessels	35.512	36.119		
Office	1.873	1.858	41	57
Total	37.385	37.977	41	57

6.7. Financial Results

- a) Dividend Income for the period 1/1-31/12/05.

	GROUP	COMPANY
From SUPERFAST FERRES MARITIME SA		10.275
From BLUE STAR MARITIME SA		3.074
From MINOAN LINES SA	726	726
From other investments	65	65
	791	14.140

- b) Interest and similar Income
The Group has invested its cash in time deposits with an average interest rate of 1.8%, net of taxes.
- c) Interest and Other Financial Expenses
They refer mainly to the interest paid on loans.
- d) Profit / (Loss) from sale-revaluation of investments in subsidiaries – associated companies
Refer to profit from sale of shares of the companies MOTOR OIL SA and Hellenic Exchanges SA (€ 450 thousand) as well as losses from impairment of investment in subsidiary company (€ 525 thousand).

The analysis of the financial income and expenses is the following:

	GROUP		COMPANY	
	1/1-31/12/2005	1/1-31/12/2004	1/1-31/12/2005	1/1-31/12/2004
Interest on Long-Term Borrowings	(21.979)	(30.046)	(1.198)	(5.512)
Interest on Bonds	(4.552)	(4.876)		(1.594)
Interest on Short-Term Borrowings	(1.033)	(467)	(841)	(323)
Other Financial Expenses	(874)	(886)	(295)	(20)
Interest Income	2.243	3.075	58	370
Dividend Income	791	56	14.140	16.266
Profit / (Loss) from sale-revaluation of investments in subsidiaries - associated companies	450		(75)	
Foreign Exchange Differences	1.296	(2.244)		
Total	(23.658)	(35.388)	11.789	9.187

6.8. Income taxes

As already stated in paragraph 2.18, special taxation policies apply on the Group's profits. Consequently, it is believed that the following analysis provides a better understanding of the taxes due.

	GROUP	COMPANY
	1/1-31/12/2005	1/1-31/12/2005
Dividend distribution Tax	496	
Tax according to Law 27/75	234	
Provision for unaudited fiscal years	289	
Total	1.019	0

The tax rate that applied on the profits for the fiscal year 2005 is 2,68%, while the one for the fiscal year 2004 was 1,82%.

A comparison between the tax rates is not possible, because, as already stated in paragraph 2.18, the income tax is related to the profits that do not stem from the shipping operation.

The companies of Superfast Group have been audited by the tax authorities up to and including fiscal year 2003. The companies of Blue Star Group and the parent company have been audited by the tax authorities up to and including fiscal year 2001, with the exception of Blue Star Ferries Maritime SA which has been audited up to and including fiscal year 1999. Attica Premium SA has been audited by the tax authorities up to fiscal year 2000.

6.9. Tangible assets

The vessels of the Group have been mortgaged as a security of the long-term borrowings for the amount of €1.177 mil.

There is no indication of impairment for the below-mentioned tangible assets.

The depreciation analysis can be found in paragraph 6.6.

6.9 Tangible Assets

Consolidated Figures

	Vessels	Land	Buildings	Furniture & Other Fixtures	Improvements In Third Party Property	Vehicles	Fixed Assets Under Construction	Total
Initial Cost at 01.01.2005	1.244.596	274	765	6.769	956	206	2.164	1.255.729
Acquisitions - Additions	15.597			494	16	65	97	16.269
Disposals / Write-offs				(4)		(142)	(2.164)	(2.310)
Adjustments-Impairments added to the Net Equity								
Adjustments-Impairments added to the Income Statement								
Cost at 31.12.2005	1.260.193	274	765	7.259	972	128	97	1.269.688
Accumulated Depreciation at 01.01.2005	109.877		153	5.668	506	91		116.295
Depreciation for the Period	35.512		26	849	138	21		36.546
Disposals / Write-offs						(68)		(68)
Accumulated Depreciation at 31.12.2005	145.390		179	6.517	644	43		152.773
Net Book Value at 31.12.2005	1.114.803	274	586	742	328	85	97	1.116.915
Initial Cost at 01.01.2004	1.332.977	274	765	6.309	820	123		1.341.268
Acquisitions - Additions	4.119			460	136	83	2.164	6.962
Disposals / Write-offs	(92.499)							(92.499)
Adjustments-Impairments added to the Net Equity								
Adjustments-Impairments added to the Income Statement								
Cost at 31.12.2004	1.244.597	274	765	6.769	956	206	2.164	1.255.731
Accumulated Depreciation at 01.01.2004	112.816		127	4.975	391	27		118.336
Depreciation for the Period	36.119		26	733	115	63		37.055
Disposals / Write-offs	(39.057)			(40)				(39.097)
Accumulated Depreciation at 31.12.2004	109.878		153	5.668	506	91		116.294
Net Book Value at 31.12.2004	1.134.719	274	612	1.101	450	115	2.164	1.139.437

6.9 Tangible Assets

Company Figures

	Vessels	Land	Buildings	Furniture & Other Fixtures	Improvements In Third Party Property	Vehicles	Fixed Assets Under Construction	Total
Initial Cost at 01.01.2005				77		6		83
Acquisitions - Additions								0
Disposals / Write-offs								
Adjustments-Impairments added to the Net Equity								
Adjustments-Impairments added to the Income Statement								
Cost at 31.12.2005				77		6		83
Accumulated Depreciation at 01.01.2005				74		6		80
Depreciation for the Period				3				3
Disposals / Write-offs								
Accumulated Depreciation at 31.12.2005				77		6		83
Net Book Value at 31.12.2005				0		0		0
Initial Cost at 01.01.2004				75		6		81
Acquisitions - Additions				2				2
Disposals / Write-offs								
Adjustments-Impairments added to the Net Equity								
Adjustments-Impairments added to the Income Statement								
Cost at 31.12.2004				77		6		83
Accumulated Depreciation at 01.01.2004				72		6		78
Depreciation for the Period				2				2
Disposals / Write-offs								
Accumulated Depreciation at 31.12.2004				74		6		80
Net Book Value at 31.12.2004				3		0		3

The below table analyzes the tangible assets held by the Group under finance leases. These assets are included in the above tangible assets table.

Leased Assets	GROUP	COMPANY
Net Book Value 2004	1.294	
Additions 01/01-31/12/05	77	
Depreciation 01/01-31/12/05	(410)	
Net Book Value 31/12/05	<u>961</u>	<u>0</u>

6.10. Intangible assets

There is no indication of impairment for the following intangible assets.

<u>Consolidated Figures</u>	Trademarks	Software	Total
Initial Cost at 01.01.2005	347	8.097	8.443
Acquisitions - Additions	6	1.643	1.649
Disposals / Write-offs			
Adjustments-Impairments added to the Net Equity		10	10
Adjustments-Impairments added to the Income Statement			
Cost at 31.12.2005	<u>353</u>	<u>9.750</u>	<u>10.102</u>
Accumulated Depreciation at 01.01.2005	219	5.804	6.024
Depreciation for the Period	47	791	838
Disposals / Write-offs			
Accumulated Depreciation at 31.12.2005	<u>266</u>	<u>6.595</u>	<u>6.862</u>
Net Book Value at 31.12.2005	<u>89</u>	<u>3.155</u>	<u>3.240</u>
Initial Cost at 01.01.2004	343	7.595	7.939
Acquisitions - Additions	3	584	587
Disposals / Write-offs		(82)	(82)
Adjustments-Impairments added to the Net Equity			
Adjustments-Impairments added to the Income Statement			
Cost at 31.12.2004	<u>346</u>	<u>8.097</u>	<u>8.444</u>
Accumulated Depreciation at 01.01.2004	182	4.943	5.125
Depreciation for the Period	37	884	922
Disposals / Write-offs	0	(23)	(23)
Accumulated Depreciation 31.12.2004	<u>219</u>	<u>5.804</u>	<u>6.024</u>
Net Book Value at 31.12.2004	<u>125</u>	<u>2.293</u>	<u>2.420</u>

<u>Company figures</u>	Trademarks	Software	Total
Initial Cost at 01.01.2005	105	99	204
Acquisitions - Additions	6		6
Disposals / Write-offs			
Adjustments-Impairments added to the Net Equity			
Adjustments-Impairments added to the Income Statement			
Cost at 31.12.2005	<u>111</u>	<u>99</u>	<u>210</u>
Accumulated Depreciation at 01.01.2005	65	21	86
Depreciation for the Period	38		38
Disposals / Write-offs			
Accumulated Depreciation at 31.12.2005	<u>103</u>	<u>21</u>	<u>124</u>
Net Book Value at 31.12.2005	<u>8</u>	<u>78</u>	<u>86</u>

Initial Cost at 01.01.2004	102	103	205
Acquisitions - Additions	3	78	81
Disposals / Write-offs		(82)	(82)
Adjustments-Impairments added to the Net Equity			
Adjustments-Impairments added to the Income Statement			
Cost at 31.12.2004	<u>105</u>	<u>99</u>	<u>204</u>
Accumulated Depreciation at 01.01.2004	47	44	91
Depreciation for the Period	18		18
Disposals / Write-offs		(23)	(23)
Accumulated Depreciation at 31.12.2004	<u>65</u>	<u>21</u>	<u>86</u>
Net Book Value at 31.12.2004	<u>40</u>	<u>78</u>	<u>118</u>

As presented above, intangible assets consist of the following assets:

- a) Trademarks, the cost of which include the cost of development and registration of the trademarks of Attica Holdings SA, Superfast Ferries and Blue Star Ferries both in Greece and abroad.
- b) Computer software programs, the cost of which include the cost of the ticket booking systems and the cost of the purchase and development of the Group's integrated information system.

The account also includes a provision of €500 thousand for the above-mentioned purchase and development of the Group's integrated Management Information System (SAP).

6.11. Investments in subsidiaries – associated companies

The following table depicts the development of the investment in subsidiaries and associated companies:

	COMPANY	GROUP
Initial Cost at 01.01.2005	184.756	9
Acquisitions - Additions	7.810	
Disposals/Write-offs	(26.019)	
Adjustments-Impairments added to Net Equity	2.412	
Adjustments-Impairments charged to the Income Statement	(525)	(9)
Value at 31.12.2005	<u>168.434</u>	<u>0</u>

Initial Cost at 01.01.2004	253.224	9
Acquisitions - Additions		
Disposals/Write-offs	(17.493)	
Adjustments-Impairments added to Net Equity	(50.975)	
Adjustments-Impairments charged to the Income Statement		
Value at 31.12.2004	<u>184.756</u>	<u>9</u>

The following fully owned subsidiaries are being consolidated using the full consolidation method.

Company name	Cost	Equity Return	Impairment / (Reversal of Impairment)	Net Book Value	Registered in	Participation
SUPERFAST FERRIES MARITIME SA	86.498	26.019		60.479	GREECE	100%
SUPERFAST EPTA MC	17.771		(1.383)	19.154	GREECE	100%
SUPERFAST OKTO MC	19.154			19.154	GREECE	100%
SUPERFAST ENNEA MC	6.069		525	5.544	GREECE	100%
SUPERFAST DEKA MC	9.596		(1.028)	10.625	GREECE	100%
SUPERFAST EPTA INC	2			2	LIBERIA	100%
SUPERFAST OKTO INC	2			2	LIBERIA	100%
SUPERFAST ENNEA INC	2			2	LIBERIA	100%
SUPERFAST DEKA INC	2			2	LIBERIA	100%
NORDIA MC	4.005			4.005	GREECE	100%
MARIN MC	3.805			3.805	GREECE	100%
BLUE STAR MARITIME SA	42.525			42.525	GREECE	48,79%
ATTICA PREMIUM SA	3.135			3.135	GREECE	100%
Total	<u>192.566</u>	<u>26.019</u>	<u>(1.886)</u>	<u>168.434</u>		

The subsidiary companies Nordia MC and Marin MC are consolidated for the first time in 2005.

Further, the following companies are also fully consolidated indirectly into the Attica Group:

1. The following 100% subsidiaries of Superfast Ferries Maritime SA:

a) Registered in Liberia :

Superfast Ena Inc, Superfast Dio Inc, Superfast Tria Inc, Superfast Tessera Inc, Superfast Pente Inc, Superfast Exi Inc, Superfast Endeka Inc, Superfast Dodeka Inc.

b) Superfast Dodeka (Hellas) Inc. & Co. Joint Venture registered in Greece and Superfast Ferries SA, registered in Liberia which operate under common management.

2. The following 100% subsidiaries of Blue Star Maritime SA:

a) Registered in Greece :

Blue Star Ferries Maritime SA

Blue Star Ferries Joint Venture which operates under common management.

b) Registered in Cyprus :

Strintzis Lines Shipping Ltd

c) Registered in Liberia :

Blue Star Ferries SA, Waterfront Navigation Company, Thelmo Marine SA

d) Registered in Panama :

Blue Island Shipping Inc.

6.12. Other Financial Assets

During 2005, the Company invested an amount of € 26,6 million for the acquisition of 8.238.000 shares in Minoan Lines Shipping SA. On June 2005, the Company received the amount of € 726 thousand from Minoan Lines as dividend of the fiscal year 2004.

6.13. Non-current receivables

Non-current receivables consist of guarantees given against office rent and public companies such as P.P.C. (Public Power Corporation) and H.T.O. (Hellenic Telecommunications Organization).

6.14. Inventories

The "Inventories" account includes the following items:

	31/12/2005		31/12/2004	
	GROUP	COMPANY	GROUP	COMPANY
Food-Beverages-Tobacco	681		774	
Fuel-Lubricants	2.388		1.391	
Hotel Equipment	1.125		1.057	
Total	4.194	0	3.222	0

There is no indication of impairment for the above-mentioned inventories.

6.15. Trade receivables and prepayments

	31/12/2005		31/12/2004	
	GROUP	COMPANY	GROUP	COMPANY
Trade Receivables	45.819		40.891	
Post Dated Cheques	20.336		16.277	
Less: Provisions for Bad Debts	7.272		6.026	
Trade Receivables (net)	58.883	0	51.142	0
Prepayments to Suppliers - Creditors	1.341		162	
Total	60.224	0	51.304	0

The Group recognized a loss for provisions of bad debts of approximately €1.930 thousand for the period 1/1-31/12/2005. The amount of this provision has been charged to the income statement.

The short-term receivables need not be discounted at the end of the period. The Group has a very wide spectrum of clientele in Greece, as well as abroad, thus the credit risk is fairly dispersed.

6.16. Tax receivables

	31/12/2005		31/12/2004	
	GROUP	COMPANY	GROUP	COMPANY
Income Tax Prepayment	142		173	
VAT Receivable	714		1.489	
Retained Tax on Interest Income	640	581	311	101
Total	1.496	581	1.973	101

6.17. Other receivables

There is no need for the other receivables to be discounted at the end of the period since they are short-term receivables.

	31/12/2005		31/12/2004	
	GROUP	COMPANY	GROUP	COMPANY
Prepayments to Employees	149		200	
Receivables from the Greek State	861		643	
Receivables from Insurance Companies	522		1.270	
Masters' General Accounts	365		355	
Other Receivables	4.552	219	5.679	3
Total	6.449	219	8.147	3

6.18. Financial assets held for trading

Refer to:

- a) The investment in HELLENIC SEAWAYS SA amounting to approximately € 14.463 thousand (shares held 9.569.070). This financial asset was sold in February 2006 at a price of € 21.051 thousand. The profit from the sale of € 6.500 thousand will be recorded in the Financial Statements of the 1st Quarter of 2006.
This investment was recorded initially as a long-term investment but due to the fact that the sale price per share was attractive, the Company decided to sell this investment in order to post high capital gains.
- b) The investment in ARROW Closed End Investment Fund SA amounting to € 1.467 thousand (shares held 500.000). During January 2006, these shares due to merger have been converted to 281.385 shares of PROTON INVESTMENT BANK SA.
This financial asset was sold in January 2006 at a price of € 1.997 thousand. The profit from the sale of € 530 thousand will be recorded in the Financial Statements of the 1st Quarter of 2006.
- c) The investment in DIOLKOS Closed End Fund SA amounting to € 587 thousand (shares held 250.000) at 31/12/05.
- d) The investment of Blue Star Maritime SA in HERMES Mutual Fund amounting to € 27,4 thousand at 31/12/05. This financial asset was sold in January 2006 at a price of € 41,1 thousand. The profit from the sale of € 13,7 thousand will be recorded in the Financial Statements of the 1st Quarter of 2006.

6.19. Cash and cash equivalents

This account includes all cash and cash equivalents that the Group can liquidate within three months.

	31/12/2005		31/12/2004	
	GROUP	COMPANY	GROUP	COMPANY
Cash in hand	129	4	139	4
Cash at banks	17.814	497	11.458	516
Short-term Bank Deposits	74.615	2.750	131.411	21.661
Total	92.558	3.251	143.008	22.181

6.20. Deferred expenses - accrued income

	31/12/2005		31/12/2004	
	GROUP	COMPANY	GROUP	COMPANY
Insurance Premia	755		1.286	
Drydocking Expenses	3.838		6.621	
Other	486		480	
Total	5.079	0	8.387	0

The accrued income relates to interest revenue.

6.21. Share capital - Reserves

a) Share Capital

The company's Share Capital amounts € 93.756.312 and is divided in 104.173.680 common bearer shares with a nominal value of € 0,90 each.

b) Reserves

As per statement of Changes in Equity.

6.22. Secured loans

Long-term secured loans analysis:

	31/12/2005		31/12/2004	
	GROUP	COMPANY	GROUP	COMPANY
Bank Loans	498.165		699.856	
Bond Loans	179.800			
Total	<u>677.965</u>		<u>699.856</u>	

During June 2005 BLUE STAR Group has issued a €200 mil. secured bond loan.

During June 2005 BLUE STAR Group has fully repaid the €30 mil. convertible bond loan.

There are no overdue liabilities, or liabilities that are about to become due, that cannot be paid.

All loans are denominated in Euro. The bond loan is discounted.

The average weighted interest rates at 31/12/05 are:

		SUPERFAST	BLUE STAR
Bond loan	Euribor plus		1,28%
Bank loans	Euribor plus	0,65%	

The loan payments are as follows:

	31/12/2005	
	GROUP	COMPANY
Loans		
Payments within the next two years	133.497	
Payments from 3 to 5 years	186.910	
Payments beyond 5 years	428.932	

The above table does not include any costs that incurred in connection with the bond loan issue, while it includes the current portion of the long-term debt.

6.23. Unsecured loans

The company holds an unsecured loan of € 25 mil. with interest rate Euribor plus 2,25%. The loan ends in October 2007.

6.24. Finance leases

The average weighted interest rate of the finance leases is Euribor plus 2.35%.

The payments of the Group's finance leases can be found in the following table:

	31/12/2005	
	GROUP	COMPANY
Finance Lease		
Payments within the next two years	582	
Payments from 3 to 5 years		

6.25. Deferred tax liabilities

The deferred tax liabilities involve the tax free reserves and other special taxable reserves that will be taxed only when distributed.

	31/12/2005	
	GROUP	COMPANY
Tax-free Reserves	293	265
Special taxable Reserves	2	2
Total	<u>295</u>	<u>267</u>

6.26. Retirement benefit provisions

These provisions refer to personnel compensation due to retirement.

As already stated in paragraph 2.17.2 of the present report, the Group has the legal obligation of paying to its employees a compensation at their first date of retirement on a pension.

The above-mentioned obligation is a defined benefit plan according to IAS 19.

The analysis of this liability is as follows:

	31/12/2005		31/12/2004	
	GROUP	COMPANY	GROUP	COMPANY
Outstanding Balance at the Beginning of the period	890	54	714	22
Expenses recognized in the Income Statement	143		149	5
Compensation paid	(16)			
Provisions over and above the actuarial valuation			27	27
	<u>1.017</u>	<u>54</u>	<u>890</u>	<u>54</u>

6.27. Other provisions

There are no legal or arbitration cases pending that could have a significant effect on the financial position of the Group.

	31/12/2005		31/12/2004	
	GROUP	COMPANY	GROUP	COMPANY
Provisions for EU penalty	2.377		1.590	
Other provisions	105			
Total	<u>2.482</u>	<u>0</u>	<u>1.590</u>	<u>0</u>

The provisions mainly regard the penalty, including the relevant interest, imposed to BLUE STAR MARITIME S.A. by the Competition Authorities of the European Union in 1998.

6.28. Bank loans and overdrafts

The fair value of the short-term borrowings is approximately equal to the book value. During January 2006 Blue Star Group has fully repaid the total amount of its short-term bank loan from its own cash & cash equivalents.

6.29. Trade and other payables

	31/12/2005		31/12/2004	
	GROUP	COMPANY	GROUP	COMPANY
Suppliers - Creditors	26.537	32	22.564	78
Social Security Contributions	410	7	405	14
Greek Seamens' Pension Fund (NAT)	1.185		1.036	
Passengers' & Vehicles' Insurance Contribution (NAT)	1.345		551	
Insurance Brokers	621		523	
Wages payable	2.244		972	
Other	3.380	42	2.033	5
Total	<u>35.722</u>	<u>81</u>	<u>28.084</u>	<u>97</u>

6.30. Tax liabilities

	31/12/2005		31/12/2004	
	GROUP	COMPANY	GROUP	COMPANY
Value Added Tax	2.045		1.451	
Wages Tax	902		823	
Income Tax	381		413	
Crew Taxes/Charges	381		391	
Other	199		73	
Total	3.908	0	3.151	0

6.31. Deferred Income - Accrued expenses

Deferred income refer to passenger tickets issued but not yet travelled until 31/12/05. Accrued expenses are as follows:

	31/12/2005		31/12/2004	
	GROUP	COMPANY	GROUP	COMPANY
Interest Expense Provision	6.013	412	8.356	417
Provisions for Travel Agents' Commissions	2.503		1.753	
Tax Provisions for unaudited fiscal years	289			
Provisions for Operating Expenses	2.556		3.679	
Total	11.361	412	13.788	417

The Group has the adequate cash and cash equivalents to cover the above-mentioned liabilities.

7. Proposed Dividend Payable

Group's Management has decided to propose to the Annual General Meeting of Shareholders the distribution of € 8.330 thousand or € 0,08 per share as dividend for the fiscal year 2005.

8. Events after the Balance Sheet date

During February 2006, the Company sold 9.569.070 shares of HELLENIC SEAWAYS SA for € 21.051.954. The profit of this transaction amounting to approximately € 6,5 mil. will be posted in the Financial Statements of 1st Quarter 2006.

Voula, 15 February 2006

PRESIDENT

VICE PRESIDENT
& CEO

AUTHORISED
DIRECTOR

FINANCIAL
DIRECTOR

PERICLES PANAGOPULOS

ALEXANDER PANAGOPULOS

CHARALAMBOS ZAVITSANOS

NIKOLAOS TAPIRIS