

Shippax
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Minoan Lines happily maintains steady course

FINANCE Minoan Lines maintained a steady course in the first half of the year lifting both turnover and net profit a shade compared to the same 2017 and fully repaying outstanding debt of almost EUR 140 million.

Indeed, the Grimaldi Group-owned Crete-based company expects the trend to continue in the second half despite financial results being negatively affected by the increase of fuel prices and a consequent increase of operating expenses. Consolidated turnover in the first six months was EUR 35.9 million, up a shade on the EUR 35.5 million in the first half of 2017. The group's operating profit (EBITDA) was EUR 8.505 million down from EUR 9.68 million in the 2017 period while the net profit at EUR 1.854 million represents an improvement on the EUR 1.585 million a year ago.

For the second half of 2018, Minoan Lines believes its financial situation will be enhanced by the addition of the Piraeus-Chania and Heraklion-Cyclades islands routes which are popular destinations with significant traffic volumes, especially during the summer high season. However, Minoan says its financial performance could be affected by "the country's growth, the intense competition among coastal shipping companies, fluctuations in fuel prices and the development of tourism."

During the January-June period, Minoan was mainly active on the Piraeus-Heraklion service, carrying 277,000 passengers, 35,000 private cars and 30,000 freight units, giving it a market share on the route of 65.1% for passengers, 61% for private cars and 47% for freight units. Since mid-June, Minoan operates on the Heraklion-Cyclades line with its recently acquired high-speed ro-pax catamaran SANTORINI PALACE (the ex- HIGHSPEED 7 of Hellenic Seaways).

From July to the end of the high touristic season mid-September, the Piraeus-Heraklion route has been expanded to include Milos for a certain number of voyages as an intermediate destination. At 30 June, the group's cash and cash equivalents stood at EUR 31.21 million compared to EUR 33.84 million at 31 December 2017, while Minoan maintained credit lines of EUR 7 million with cooperating banks, which were unused during the six-month period.

In June, transfer of the MYKONOS PALACE was completed against EUR 65 million to its subsidiary Minoan Italia S.p.A. The vessel has been deployed on the Chania-Piraeus route since mid-July. Further, sale of 37,667,504 shares of Hellenic Seaways to Attica Holdings for EUR 78.5 million was executed, which represented 48.53% of the paid-up share capital. At the same time, Minoan purchased the HIGHSPEED 7 from Hellenic Seaways for EUR 25 million.