



SOFIA MEL S.A.

FINANCIAL STATEMENTS AND INFORMATION FOR THE FISCAL YEAR FROM JANUARY 1st 2007 TO DECEMBER 31st 2007

The following data and information aim at providing a general overview of the financial status and results of the company. Readers, who require a complete picture of the Group's financial status and results, are advised to access the annual financial statements according to the International Accounting Standards, as well as the audit report by the certified auditor-accountant.

In such case, readers may refer to the Company's website, www.loulisgroup.com, where such information is posted.

COMPANY INFORMATION

Address of head offices :	Sofia, Bulgaria
Board of Directors' Composition :	Savopoulos Pantazis, Malamousis Stilianos, Kontochristopoulos Const., Louloudakis Ioa, Zankova Miroslava, Lazarova Ludmila, Mitov Ventislav
Approval Date of the Annual Financial Statements :	27/3/2008
Type of Auditors' Audit Report :	In Agreement
Company Website :	www.loulisgroup.com

BALANCE SHEET

	COMPANY	
	31/12/2007	31/12/2006
ASSETS		
Tangible Fixed Assets	12.429.882	11.933.022
Investment Property	3.148.900	2.739.692
Goodwill	0	0
Other Intangible Assets	14.055	3.862
Investment in Subsidiaries	0	0
Investment in Shares for trading	0	0
Other Long-term Receivables	24.255	245.283
	15.617.092	14.921.859
CURRENT ASSETS		
Inventory	8.265.089	2.696.441
Investments in Shares & Bonds at fair value	0	0
Trade Debtors	5.066.908	3.419.828
Other Current Assets	275.568	2.117.245
Cash and Cash Equivalents	140.407	193.728
	13.747.973	8.427.242
TOTAL ASSETS	29.365.064	23.349.101
EQUITY & LIABILITIES		
Share Capital	344.014	344.014
Share Premium Account	0	0
Other Reserves	13.834.312	8.985.880
Currency Consolidation Differences	0	0
	14.178.325	9.329.894
Minority Interest	0	0
Total Net Worth	14.178.325	9.329.894
LONG TERM LIABILITIES		
Long-term Loans	1.545	5.767
Deferred Taxation	1.294.927	2.553.027
Other Long-term Liabilities	53.874	41.698
	1.350.345	2.600.492
SHORT TERM LIABILITIES		
Trade Creditors and Suppliers	4.616.671	1.502.444
Short-term Loans	8.875.042	9.736.895
Tax Obligations for the current year	165.565	10.097
Other Short-term Liabilities	179.115	169.279
	13.836.394	11.418.715
TOTAL EQUITY & LIABILITIES	29.365.064	23.349.101

STATEMENT OF NET WORTH

	COMPANY	
	31/12/2007	31/12/2006
Beginning Net Worth as of 01/01/2007 & 01/01/2006	9.329.894	6.393.148
New Ordinary Share Capital Increase/(Decrease)	0	0
Income Transfer directly to Equity Accounts	2.714.141	3.105.347
Profit/(Loss) of the period after tax	2.134.291	(168.602)
Disposal/(Purchase) of Own Shares	0	0
Translation Reserve	0	0
Ending Net worth as of 31/12/2007 & 31/12/2006	14.178.325	9.329.894

(Amounts in €)

INCOME STATEMENT

	COMPANY	
	1/1 - 31/12/2007	1/1 - 31/12/2006
Turnover	31.663.585	20.014.061
Cost of Goods Sold	(26.839.244)	(19.391.383)
Gross Profit	4.824.341	622.678
Other Income	735.832	640.096
Sales & Marketing Expenses	(2.049.835)	(1.828.026)
Administration Expenses	(708.108)	(652.035)
Other Non-Operating Expenses	(7.513)	(4.612)
Profit on Revaluation of Investment Property	0	1.590.102
Profit/(Loss) on Revaluation of Shares	0	0
Profit on Sales of Shares	0	0
Income from Participation Interests	0	0
Financial Income/(Expenses)	(593.563)	(570.049)
Profit/(Loss) before Income Tax	2.201.155	(201.846)
Income Tax	(66.864)	33.244
Profit/(Loss) after Income Tax	2.134.291	(168.602)
Attributable to :		
Equity Shareholders	2.134.291	(168.602)
Equity Minority Interest	0	0
Earnings After Taxes per share (in €)	3,1721	(0,2506)
Depreciation	865.890	899.837
E.B.I.T.	2.794.718	(1.221.899)
E.B.I.T.D.A.	3.660.607	(322.062)

CASH FLOW STATEMENT

	COMPANY	
	1/1 - 31/12/2007	1/1 - 31/12/2006
Operating Activities		
Profit before Income Tax	2.201.155	(201.846)
Plus/minus Adjustments for:		
Depreciation	865.890	899.837
Provisions for Non-cash Expenses	(10.878)	(1.588.241)
Interest Expenses/(Income)	545.899	528
Profit from Operating Activities before Working Capital Movements	3.602.066	(889.722)
Decrease/(Increase) in Inventory	(5.289.227)	419.355
Decrease/(Increase) in Receivables	439.633	(568.512)
(Decrease)/Increase in Liabilities (except from bank loans)	3.104.025	2.603.796
Cash Flow from Operating Activities	1.856.497	1.564.917
Minus:		
Interest Expenses and Related Expenses	(609.806)	(1.524)
Income Taxes Paid	0	0
Total Inflows/(Outflows) from Operating	1.246.691	1.563.393
Investment Activities		
Disposal/(Acquisition) of Subsidiaries	0	0
Proceeds from Shares	0	0
Purchase of Tangible and Intangible Assets	(570.094)	(3.796.710)
Inflows from Disposal of Assets	68.044	24.143
Interest Received	63.907	996
Dividends Received	0	0
Total Inflows/(Outflows) from Investment	(438.143)	(3.771.571)
Financing Activities		
Proceeds from additional installments for legal reserve	0	0
Inflows/(Outflows) from Long-term Loans	0	0
Inflows/(Outflows) from Short-term Loans	(861.853)	1.800.484
Dividends Paid	(18)	(42)
Total Inflows/(Outflows) from Financing	(861.871)	1.800.442
Net Increase/(Decrease) in Cash and Cash Equivalents for the Period (a)+(b)+(c)	(53.323)	(407.736)
Beginning Cash and Cash Equivalents	193.730	601.464
Ending Cash and Cash Equivalents	140.407	193.728