



"LOULIS MILLS S.A."
CONSOLIDATED FINANCIAL STATEMENT AS AT JUNE 30th 2004
Period: 1/7/2003-30/6/2004 (Financial Year: 1/7/2003-31/12/2004)
Sourpi Magnesias, Prefecture Reg. No 10344/06/B/86/131
(Amounts in Euro)

ASSETS	30 June 2004	30 June 2003	EQUITY AND LIABILITIES	30 June 2004	30 June 2003
1. Formation Expenses	5.079.589,89	3.749.932,74	1. Share capital issued and fully paid	10.703.508,48	10.703.508,48
Consolidation Differences	30.569.156,10	28.652.942,40	2. Reserves and other Equity Accounts	62.137.219,00	52.274.394,66
2. Fixed Assets (Cost)	171.107.948,46	150.366.432,92	3. Profit/Loss for the period	-6.660.622,11	-10.504.230,09
Accumulated Depreciation	48.212.774,24	41.446.957,98	4. Retained earnings	-6.585.681,25	0,00
Net Book Value	122.895.174,22	108.919.474,94	Minority Interest	7.271.597,69	10.661.630,58
4. Investments and other Long Term claims	415.438,20	426.188,92	6. Provisions	143.893,72	43.326,97
5. Inventories	24.924.856,98	17.413.575,92	7. Long term Liabilities	81.253.025,88	78.816.256,11
6. Trade Debtors	32.248.178,28	30.829.920,85	8. Short term Liabilities	73.925.417,02	66.520.209,92
7. Other Receivables	4.755.171,59	8.746.532,41	9. Accruals	3.841.460,52	810.312,93
8. Securities	1.956.483,32	3.485.676,95			
9. Cash at banks and on hand	3.019.165,09	3.497.114,05			
10. Prepayments and Accrued Income	166.605,28	3.604.050,39			
TOTAL ASSETS	226.029.818,95	209.325.409,57	TOTAL EQUITY AND LIABILITIES	226.029.818,95	209.325.409,57
Debit Memo Accounts	143.271.117,73	17.982.196,78	Credit Memo Accounts	143.271.117,73	17.982.196,78

PROFIT & LOSS STATEMENT

For the Period July 1st 2003 - June 30th 2004 (Financial Year 1 July 2003 - 31 December 2004)

	30 June 2004	30 June 2003
Turnover	139.177.662,73	101.359.749,44
Cost of Goods Sold	115.079.179,07	87.412.775,50
Gross profit	24.098.483,66	13.946.973,94
Other Income	3.975.895,26	3.931.908,93
Total	28.074.378,92	17.878.882,87
Administration Expenses	11.783.116,08	9.266.628,68
Selling Expenses	13.954.298,58	13.853.343,89
Financial Expenses (Income)	8.824.226,22	6.557.864,72
Profit from Operations	-6.487.261,96	-11.798.954,42
Non Operating Income	5.733.889,96	3.911.262,21
Non Operating Expenses	6.634.332,21	3.497.807,11
Depreciation	12.144.678,37	10.096.555,94
Minus: Depreciation charged to operating results	12.144.678,37	10.096.555,94
PROFIT/LOSS BEFORE TAXES AND MINORITY	-7.387.704,21	-11.385.499,32
Minority Interest	-727.082,10	-881.269,23
PROFIT/LOSS BEFORE TAXES	-6.660.622,11	-10.504.230,09

NOTES:

- In this consolidated financial statement the following companies are included :
LOULIS MILLS S.A., SC MOARA LOULIS-ROMANIAN FLOUR MILLS LOULIS S.A., ATLAS S.A., L.I.F.E. LTD., L.I.F.E. BULGARIA LTD., LOULIS MEL-BULGARIA S.A. (former KRAPS MEL-1AD), SOFIA MEL AD, SC TITAN S.A., SC MOPAN S.A.
- There is a tangible asset used as collateral to a subsidiary company in Bulgaria that reaches the amount of Leva 7.045.957,25. Moreover, tangible assets of Loulis Mills S.A., up to the amount of € 106.750 thousand, were used as collateral in order to secure a bond loan worth of € 75.000 thousand.
- The Working Personnel Headcount is 1.479 employees.
- According to the STAKOD-03 codification the Turnover (Sales) corresponds to :
156.1: € 112.636.957,86, **156.2:** € 4.014,58, **158.1:** € 7.476.484,48, **158.2:** € 458.260,56, **158.5:** € 446.599,39, **513.8:** € 81.834,13, **512.1:** € 2.375.474,02, **513.9:** € 11.209.733,60, **522.4:** € 4.056.266,95, **741.4:** € 312.281,86, **519.0:** € 93.277,98, **515.7:** € 26.477,32.
- The Consolidation method which is used is the full consolidation of the Assets' Accounts, the Equity & Liabilities' Accounts and the Profit and Loss Statement in accordance to Law 2190/20.
- There are neither significant on-trial or under arbitration differences, nor court or administrative decisions, which have an impact on the financial position or operation of the company.
- With the decision of the Ministry of Development No K2-3553/31-3-2004, the merger of Loulis Mills S.A. with its affiliate company Saint George Mills S.A. has been completed. The internalization of the financial data of the merged company Saint George Mills S.A. took place on 1/4/2004, according to Law 2166/93.
- After approval of the qualified I.R.S. (Register No 2983/4-3-2004), the current financial year for the mother company Loulis Mills S.A. concerns an eighteen month time period (1/7/2003-31/12/2004).

Sourpi Magnesias, August 27th 2004

CHAIRMAN OF THE BOARD OF DIRECTORS
KONSTANTINOS LOULIS
E-734587

CHIEF EXECUTIVE OFFICER
NIKOLAOS FOTOPOULOS
P-585864

CHIEF ACCOUNTANT
IAKOVOS G. SARDIS
X-627824

FINANCIAL ANALYST
PANAGIOTIS PAPANIROU
Σ-274032
Licence No 0019079

AUDITORS REPORT

To the Board of Directors of "LOULIS MILLS S.A."

We have audited according to the provision of art. 6 of P.D 360/1985, as modified by art. 90 of L.2533/1997 in conformity with the standards of auditing accepted by the Institute of Certified Auditors of Greece. Accordingly, we included such auditing procedures, as we considered necessary in the circumstances to certify that the above financial statements of "LOULIS MILLS S.A.", which cover the period 1st July 2003 to 30th June 2004, include no errors or omissions that can substantially affect the consolidated financial position, shown therein, of the Company and its subsidiaries included in the consolidation. Our audit has not been expanded to include the Financial Statements of companies abroad, which have been included in the consolidation and are audited by foreign certified auditors who have not provided their report until the date of our report. Our audit resulted the following: 1) The asset account C.III.1 includes participation of the company in a corporation S.A. (acquisition cost 176.000 euro) which has gone into liquidation. 2) The assets account "Securities" includes investment in a company listed on A.S.E. and has been evaluated according to the law at market value which is lower than the acquisition cost. 3) For the included in the assets claims due amounting to 4,5 million euro approximately a provision has been made in previous years for the possible loss from their non-collection amounting to euro 243 thousand approximately which in our opinion is lower by amount of euro 1 million approximately. 4. Relying on opinion N.205/1988 of the Plenary session of the Administration Legal Advisers and the art. 31 of L.2238/1994, the company as in the previous year, did not set up provision for the compensation of the members of the staff who are going to retire, because there was no retirement doubtful until the end of the next year. Had the company set up a provision regarding all members of its staff, it would have amounted to 705 thousand euro approximately (such a provision has not been estimated by the subsidiaries) with the same amount decrease of capital reserves. In our opinion, taking into consideration the foregoing remarks as well as the notes under the Balance Sheet, the above Financial Statements, which are in agreement with the books and records of the company, include no errors or omissions which can substantially affect the consolidated assets, liabilities and financial position of the companies which are included in the consolidation at 30.06.2004, as well as the results of its operations for the year ended on that date, in conformity with legal requirements and accepted accounting principles applied by the parent company on basis consistent with the corresponding period of the preceding year.

Athens, August 27th 2004
The Certified Auditor

BKR

PROTYPOS ELEGKTIKI S.A.
Certified Auditors-Accountants-Business Consultants
An independent member of BKR International

IOANNIS A. ANASTASOPOULOS
Certified Auditors Register Number 10151