



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

ASSETS	31 Dec 2004	31 Dec 2003	EQUITY AND LIABILITIES	31 Dec 2004	31 Dec 2003
1. Formation Expenses	4.948.806,43	4.506.784,84	1. Share capital issued and fully paid	10.638.612,48	10.703.508,48
Consolidation Differences	31.895.487,65	48.971.618,07	2. Reserves and other Equity Accounts	89.877.810,60	71.847.666,95
2. Fixed Assets (Cost)	173.875.226,14	150.689.197,99	3. Profit/Loss before taxes for the period	-11.849.824,26	-12.750.051,22
Accumulated Depreciation	35.423.509,55	44.525.699,64	4. Retained earnings	-16.512.512,26	-3.029.974,80
Net Book Value	138.451.716,59	106.163.498,35	Minority Interest	7.202.258,18	5.559.388,54
4. Investments and other Long Term claims	2.037.632,79	1.408.652,60	6. Provisions	185.133,89	63.001,66
5. Inventories	24.559.104,04	31.813.587,22	7. Long term Liabilities	78.019.197,45	50.693.116,37
6. Trade Debtors	34.185.892,48	36.186.820,85	8. Short term Liabilities	89.577.813,20	122.004.692,13
7. Other Receivables	7.179.720,40	8.229.345,38	9. Accruals	724.796,40	1.500.860,03
8. Securities	1.894.993,92	3.263.802,17			
9. Cash at banks and on hand	1.980.481,12	5.238.794,14			
10. Prepayments and Accrued Income	729.450,26	809.304,52			
TOTAL ASSETS	247.863.285,68	246.592.208,14	TOTAL EQUITY AND LIABILITIES	247.863.285,68	246.592.208,15
Debit Memo Accounts	127.377.990,50	18.854.780,75	Credit Memo Accounts	127.377.990,50	18.854.780,75

PROFIT & LOSS STATEMENT

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

	31 Dec 2004	31 Dec 2003
Turnover	207.782.497,07	173.003.155,29
Cost of Goods Sold	176.318.678,57	146.296.041,23
Gross profit	31.463.818,50	26.707.114,06
Other Income	6.248.229,15	6.157.238,46
Total	37.712.047,65	32.864.352,52
Administration Expenses	15.655.170,35	14.217.405,66
Selling Expenses	22.214.510,37	21.459.573,95
Financial Expenses (Income)	13.705.331,33	10.810.545,05
Profit from Operations	-13.862.964,40	-13.623.172,14
Non Operating Income	10.739.147,55	7.354.833,48
Non Operating Expenses	9.571.623,15	7.643.996,81
Total Depreciation	16.355.458,38	15.101.956,32
Minus: Depreciation charged to operating results	16.355.458,38	15.101.956,32
PROFIT/LOSS BEFORE TAXES AND MINORITY	-12.695.440,00	-13.912.335,47
Minority Interest	-845.615,74	-1.162.284,25
PROFIT/LOSS BEFORE TAXES	-11.849.824,26	-12.750.051,22

Sourpi Magnesias, February 23rd 2005

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 S.A., 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 mother company Loulis Mills S.A. has given guarantees for its daughter companies in Romania and Bulgaria, amounting € 19,7 million.
- The Working Personnel Headcount is 1.509 employees.
- According to the STAKOD-03 codification the Turnover (Sales) corresponds to : **156.1** Production of milling products: € 161.033.579,98, **156.2** Production of farina and farina products: € 6.608,00, **158.1** Bakery-production of fresh pastry goods: € 11.384.230,09, **158.2** Production of rusk and biscuits: € 559.627,87, **158.5** Production of macaroni, lasagna, couscous and similar milling products: € 1.115.189,93, **513.8** Wholesale trade of other consumables: € 150.330,79, **512.1** Wholesale trade of breadstuffs, seeds and provender: € 4.847.750,31, **513.9** Non specialized wholesale trade of consumables, drinks and tobacco: € 22.051.861,53, **522.4** Retail trade of bread, and other bakery and pastry goods: € 6.020.261,72, **741.4** Services: € 278.671,61, **519.0** Other wholesale trade: € 322.073,73, **515.7** Wholesale trade of offal and oddments: € 12.311,51.
- 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 with 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.
- On 15/3/2004 the merger, through absorption, of the 100% affiliate company Saint George Mills S.A. was decided, by Loulis Mills S.A. with the decision of the Board of Directors No 198/15.3.2004 and by Saint George Mills S.A. with the decision No 1471/15.3.2004 of the Board of Directors. With the decision of the Ministry of Development No K2-3553/31.3.2004, the merger was completed with Transformation Balance Sheet as at 30/11/2003. 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. In view of the provisions of the articles of Law 2166/93, a goodwill resulted from the assets of the merged company Saint George Mills S.A. amounting to € 9.926.831,01. However, on 31/12/2004, Loulis Mills S.A. went through a revaluation of its fixed assets, according to Law 3229/2004, article15, in their reasonable value, thus, through the simultaneous increase of its reserve accounts, by € 28.005.755,50, defraying the emerged goodwill of Saint George Mills S.A., which is now included in the account "Retained Earnings".
- After approval of the qualified I.R.S. (Register No 2983/4-3-2004) and the Extraordinary General Assembly of the 24th of June 2004, the current financial year concerns an eighteen month time period (1/7/2003-31/12/2004).
- As a consequence of note 9, the financial data for the current period refer to an eighteen month time period, 1/7/2003-31/12/2004. On the other hand, the financial data of the previous period refer to the reformed financial data, that result from the yearly period 1/7/2002-30/6/2003, and the six month period 1/7/2003-31/12/2003 (eighteen month time period).

CHAIRMAN OF THE BOARD OF DIRECTORS

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AUDITORS REPORT
To the Board of Directors of " FLOUR LOULIS S.A."

We performed the audit stipulated in the provisions of article 6, P.D. 360/1985, as amended by article 90 of law 2533/1997, and in the audit we applied, within the framework of the standards of auditing followed by the Institute of Certified Public Accountants in Greece, the auditing procedures we deemed appropriate so as to ascertain that the above summary financial statements of "FLOUR LOULIS S.A." for the period from 01/07/2003 until 31/12/2004 do not contain inaccuracies or omissions materially affecting the Company's consolidated asset structure, financial position, and the consolidated results of the above parent company or the subsidiaries included in the consolidation. Our audit has not been expanded to the financial statements of companies abroad, which have been included in the consolidation and represent 12,43% and 40,26% of consolidated assets and turnover respectively. These companies were audited by other Certified Auditors abroad, who have not issued their certified report yet. The above audit showed the following: 1) In the current accounting period the company has made use of the provisions of art.15 of L.3229/2004 and therefore has evaluated its fixed assets at the fair value. The resulting revaluation surplus, EUR 28.005.755,50, is included in the equity capital (No8 is the relevant note in the Balance Sheet) 2) The assets account "Securities" includes investment in a company listed on ATHEX and has been evaluated according to the law at market value which is lower than their acquisition cost. 3) Based on the provisions of art.31 of Act 2238/94 and opinion number 205/1988 of the Management's Legal Advisors, no provision was made by the company for the personnel retirement, since no member of the personnel meets the retirement prerequisites earlier than the end of the following accounting period. Had there been such provision for the entire personnel, it would have amounted to EUR 677 thousand approximately with the same amount decrease of the capital reserves. 4) Asset account "Receivables" also includes disputed receivables and receivables due of EUR 3,2 million approximately for which no provision was made for non-collection (in our opinion EUR 950 thousand approximately). No provision has been made for expenses (EUR 1,1 million approximately) with the same amount increase of profit before tax. 6) The company has been audited by tax authorities until 30.6.2002 and as a result, its tax obligations for the unaudited years have not been made permanent. From our audit, we ascertained that the above consolidated financial statements have been prepared in accordance with the provisions of Codified Law 2190/20 for the "societes anonymes" and taking into account of the above remarks and the notes of the company, there are no inaccuracies or omissions materially affecting the consolidated asset structure and financial position of all the companies included in the consolidation as at 31 December 2004, as well as the consolidated results of the period ending on that date, based on the relevant provisions in force and the accounting principles and methods applied by the parent company, which have been generally accepted and do not differ from those applied during the respective period of the previous accounting year. It should be noted that this current certified report is issued in the framework of article 90 of law 2533/1997 and does not substitute the report of final audit, which is required by the provisions of the article 108 of the C.L. 2190/1920 "for societes anonymes". For this reason, some of the accounts of the above summary financial statements may differ from the respective of the annual financial statements, which will be released along with the aforementioned certified report of the final audit.

Athens, February 24th 2005
 The Certified Public Accountant

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ΗΡΩΤΥΧΟΣ ΕΛΕΓΚΤΙΚΗ Α.Ε.
 Οικονομικοί Ελεγκτές - Ανωνύμη Στοιχειώδη Εταιρεία
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