



LOULIS MILLS S.A.

Reg. No 10344/06/B/96/131

Reg. Address: Municipality of Sourpi, Prefecture of Magnesia (Loulis Port)

FINANCIAL STATEMENTS AND INFORMATION FOR THE FISCAL YEAR FROM JANUARY 1st 2005 TO JUNE 30th 2005

The following data and information aim at providing a general overview of the financial status and results of LOULIS MILLS S.A. and LOULIS GROUP OF COMPANIES. 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.

BALANCE SHEET				INCOME STATEMENT					
	GROUP		COMPANY		GROUP		COMPANY		
	30/6/2005	31/12/2004	30/6/2005	31/12/2004	1/1 - 30/06/2005	1/1 - 30/06/2004	1/1 - 30/06/2005	1/1 - 30/06/2004	
ASSETS									
Tangible Fixed Assets	162.950.262	160.152.667	102.089.761	103.444.691	65.372.174	70.730.673	34.290.007	35.612.755	
Investment Property	0	0	0	0	(51.818.265)	(56.673.150)	(25.899.218)	(28.110.353)	
Goodwill	40.177.145	41.866.044	0	0	13.553.909	14.057.523	8.390.791	7.502.402	
Other Intangible Assets	153.175	257.589	79.904	97.300	3.070.048	2.663.774	2.881.139	2.494.216	
Investment in Subsidiaries	0	0	53.695.134	53.195.134	(8.649.902)	(7.241.944)	(6.094.077)	(4.489.065)	
Investment in Shares for trading	1.974	1.805	0	0	(3.679.351)	(5.126.506)	(1.722.551)	(2.187.729)	
Other Long-term Receivables	2.317.564	2.035.928	8.881.132	8.680.234	1.562.237	(1.609.119)	(538.388)	(981.576)	
	<u>205.600.120</u>	<u>204.313.933</u>	<u>164.745.931</u>	<u>165.417.359</u>	Profit on Revaluation of Investment Property	79.058	(1.282.493)	79.058	(1.282.493)
					Profit/(Loss) on Revaluation of Shares	0	0	0	0
CURRENT ASSETS					Profit on Sales of Shares	0	0	0	0
Inventory	19.999.618	23.871.504	10.160.744	10.467.635	Income from Participation Interests	(4.215.077)	(4.204.852)	(2.483.490)	(2.754.441)
Investments in Shares & Bonds at fair value	1.967.661	1.888.603	1.967.661	1.888.603	Financial Income/(Expenses)	720.922	(2.743.617)	512.032	(1.698.706)
Trade Debtors	35.435.042	30.492.484	26.691.461	24.777.397	Profit/(Loss) before Income Tax	720.922	(2.743.617)	512.032	(1.698.706)
Other Current Assets	2.965.135	7.262.100	1.489.567	1.867.781	Income Tax	(551.781)	(554.439)	(510.399)	(575.563)
Cash and Cash Equivalents	2.466.892	1.979.909	539.027	523.063	Profit/(Loss) after Income Tax	169.141	(3.298.056)	1.633	(2.274.269)
	<u>62.834.338</u>	<u>65.494.300</u>	<u>40.848.469</u>	<u>39.824.478</u>	Ambulatory	18.925	(3.298.056)	1.633	(2.274.269)
					Equity Shareholders	150.216	(3.141.392)	0	0
TOTAL ASSETS	268.434.458	269.808.234	205.594.391	205.241.839	Earnings After Taxes per share (in €)	0,0102	(0,1972)	0,0001	(0,1360)
					Depreciation	3.570.035	3.064.101	1.529.112	1.497.292
EQUITY & LIABILITIES					E.B.I.T.	4.856.941	2.743.729	2.916.464	2.338.228
Share Capital	10.638.612	10.638.612	16.638.612	10.638.612	E.B.I.T.D.A.	8.426.976	5.807.830	4.445.576	3.835.520
Own Shares	(876.711)	(876.711)	(876.711)	(876.711)					
Share Premium Account	54.585.331	48.531.601	48.531.601	48.531.601					
Other Reserves	16.938.979	20.607.623	16.386.598	16.384.965					
Currency Consolidation Differences	-4.620.706	(1.863.381)	0	0					
	<u>76.685.505</u>	<u>77.037.744</u>	<u>74.880.100</u>	<u>74.678.467</u>					
Minority Interest	9.015.889	8.696.494	0	0					
Total Net Worth	85.694.373	85.736.238	74.880.100	74.678.467					
LONG TERM LIABILITIES									
Long-term Loans	79.903.827	77.913.963	75.000.000	75.000.000	Operating Activities				
Deferred Taxation	8.774.353	6.951.944	7.462.343	6.951.948	Profit before Income Tax	720.922	(2.743.617)	512.032	(1.698.706)
Other Long-term Liabilities	6.375.167	10.475.623	6.400.792	6.474.459	Plus/Minus Adjustments for:				
	<u>95.454.347</u>	<u>95.341.530</u>	<u>88.863.125</u>	<u>88.426.407</u>	Depreciation	3.570.035	3.064.101	1.529.112	1.497.292
					Provisions for Non-cash Expenses	1.215.249	1.843.183	(657.350)	809.559
					Interest Expenses/(Income)	4.887.094	4.222.384	3.166.990	3.025.561
SHORT TERM LIABILITIES					Profit from Operating Activities before Working Capital Movements	10.393.300	6.186.051	4.550.784	3.633.706
Trade Creditors and Suppliers	19.187.641	17.991.821	12.213.665	10.832.482	Decrease/(Increase) in Inventory	3.902.945	5.576.594	306.891	4.736.700
Short-term Loans	56.664.511	56.544.683	24.781.480	24.699.250	Decrease/(Increase) in Receivables	(4.005.614)	4.874.376	(1.709.903)	(613.716)
Tax Obligations for the current year	5.020.520	2.088.229	1.062.967	1.511.995	(Decrease)/Increase in Liabilities (except from bank loans)	(2.412.081)	(8.979.140)	139.766	(8.136.742)
Other Short-term Liabilities	6.423.066	12.105.733	3.993.034	5.133.858	Cash Flow from Operating Activities	7.876.550	7.657.881	3.287.538	69.948
	<u>87.295.738</u>	<u>88.730.466</u>	<u>42.051.166</u>	<u>42.136.965</u>	Minus:				
TOTAL EQUITY & LIABILITIES	268.434.458	269.808.234	205.594.391	205.241.839	Interest Expenses and Related Expenses Paid	(4.821.803)	(4.263.893)	(3.206.270)	(2.633.079)
					Income Taxes Paid	(5.927)	(698.489)	0	(698.489)
					Total Inflows/(Outflows) from Operating Activities (a)	3.050.820	2.695.499	81.268	(3.261.619)
					Investment Activities				
					Disposal/(Acquisition) of Subsidiaries	0	0	(500.000)	0
					Inflows/(Outflows) from sale of Investment Tools	(5.998)	191.415	0	87.881
					Purchase of Tangible and Intangible Assets	(5.027.791)	(5.138.670)	(197.103)	(128.854)
					Inflows from Disposal of Assets	134.024	1.382.856	20.700	790.288
					Interest Received	45.920	2.612	3.869	0
					Dividends Received	0	12.391	0	0
					Total Inflows/(Outflows) from Investment Activities (b)	(4.853.845)	(3.549.396)	(672.534)	749.315
					Financing Activities				
					Inflows/(Outflows) from Share Capital Increase/Decrease	0	2.265.939	0	0
					Inflows/(Outflows) from Long-term Loans	(4.178.640)	30.063.064	0	29.535.749
					Inflows/(Outflows) from Short-term Loans	6.468.938	(33.006.163)	307.230	(27.670.942)
					Dividends Paid	0	(300.802)	0	(300.531)
					Total Inflows/(Outflows) from Financing Activities (c)	2.290.298	(977.962)	307.230	1.564.276
					Net Increase/(Decrease) in Cash and Cash Equivalents for the Period (a)+(b)+(c)	487.273	(1.831.859)	(284.036)	(948.029)
					Beginning Cash and Cash Equivalents	1.979.609	4.821.463	823.063	3.242.057
					Ending Cash and Cash Equivalents	2.466.882	2.989.604	539.027	2.294.028

1. The companies which have been consolidated in the above Financial Statements are presented in the following table with the corresponding participation percentages:

COMPANY NAME	DOMICILE - COUNTRY	PARTICIPATION PERCENTAGE	RELATIONSHIP WITH THE PARENT COMPANY	CONSOLIDATION METHOD	UNAUDITED TAX FISCAL YEARS
LOULIS MILLS S.A.	Sourpi Magnesia-Greece	-	Parent	-	7.2003-12.2003 & 2004
LOULIS INTERNATIONAL FOODS ENTERPRISES Ltd.	Nicosia-Cyprus	88,35%	Direct	Full	2002-2004
LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA Ltd.	Nicosia-Cyprus	100,00%	Direct	Full	2002-2004
ATLAS S.A.	Tirana, Albania	41,45%	Direct	Full	2004
SC LOULIS S.A.	Bucharest-Romania	78,01%	Indirect	Full	10.2003-12.2003, 2004
S.C.TITAN S.A. (formerly SC LOULIS S.A. until 31/07/2007)	Bucharest-Romania	72,38%	Indirect	Full	2002-2004
LOULIS MEL-BULGARIA S.A.	Sofia-Bulgaria	100,00%	Indirect	Full	2004
SOFIA MEL S.A.	Sofia-Bulgaria	92,59%	Indirect	Full	2003-2004

2. The company has applied the same basic accounting principles as with the balance sheet as of 31/12/2004. The group applies the I.F.R.S. Stable Platform 2005 since 1st of January 2005

3. Tangible assets of Loulis Mills S.A., up to the amount of € 106.75 million, are used as collateral in order to secure bank loans, worth of € 75 million. There is also a collateral of Leva 7.045.957,25 in a subsidiary in Bulgaria for security

4. There are no under arbitration cases of administrative bodies, which may have a material impact on the financial status of the Company. There are pending judicial cases whose final outcome cannot be predicted at this stage. Therefore, there is no relevant provision in this period's financial statements.

5. The total number of employees as of this period for the Group is 1.519 and for the Company 322

6. The total amount of the Company's sales and purchases towards and from affiliated companies, cumulatively from the beginning of the period, is € 214.873,08 and € 555.828,36 respectively. The balance of the company's receivables and liabilities with its affiliated companies at the end of current period is € 9.152.963,07 and € 99.572,05 respectively.

7. Investments on tangible fixed assets during 2005 are € 610.814 for the group and € 214.132 for the company.

8. After approval of the qualified Revenue and Tax Office (register No 2983/4-3-2004) and the Extraordinary General Assembly of the 24th of June 2004 the previous financial year had eighteen months period (1/7/2003-31/12/2004). In 2004 the company changed the reported period from 30.6 to 31.12 in order for all the Company's of the Group to have the same fiscal year. In Profit & Loss statement the accounts were reported for a period bigger than 12 months thus for 18 months (1/7/2003-31/12/2004). Therefore, in the current year the Financial Statements of 2005, the amounts concerning 2004 are not completed comparable because they refer to the 18 month period not the 12 month period.

9. The subsidiary and group balance sheet of transition 1/7/2003 as well as the financial statements in 31/12/2004 have been restated after the advice of Certified Public accountants.

10. In 1.2.2005 the merge of SC MOARA LOULIS -ROMANIAN FLOUR MILLS S.A. was completed from the listed on stock exchange market of Romania SC MOPAN SA, and was renamed to SC LOULIS SA.

11. On September 2005, the sale of the property of subsidiary company in Romania TITAN SA was completed for the amount of € 1 bl.