



# LOULIS MILLS S.A.

Reg. No 10344/06/B/96131

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

## FINANCIAL STATEMENTS AND INFORMATION FOR THE FISCAL YEAR FROM JANUARY 1st 2005 TO SEPTEMBER 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](http://www.loulisgroup.com), where such information is posted.

BALANCE SHEET				INCOME STATEMENT					
GROUP		COMPANY		GROUP		COMPANY			
30/9/2005	31/12/2004	30/9/2005	31/12/2004	1/1 - 30/09/2005	1/1 - 30/09/2004	1/1 - 30/09/2005	1/1 - 30/09/2004		
<b>ASSETS</b>				<b>Turnover</b>					
Tangible Fixed Assets	159,878,203	160,152,667	101,645,323	103,444,691	99,369,896	102,900,776	51,360,305	53,171,123	
Investment Property	0	0	0	0	(78,862,607)	(85,453,383)	(39,240,908)	(43,977,100)	
Goodwill	40,177,145	41,866,044	0	0	<b>20,507,289</b>	<b>17,447,393</b>	<b>12,119,397</b>	<b>9,194,023</b>	
Other Intangible Assets	213,467	257,589	70,380	97,300	8,078,102	7,022,689	3,500,368	3,672,905	
Investment in Subsidiaries	0	0	53,695,134	53,195,134	(14,722,696)	(10,306,716)	(9,398,337)	(6,571,544)	
Investment in Shares for trading	1,997	1,805	0	0	(5,847,850)	(8,166,027)	(2,653,451)	(3,913,618)	
Other Long-term Receivables	1,264,066	2,035,328	8,791,083	8,680,234	Other Non-Operating Expenses	(1,112,000)	(2,873,106)	(88,494)	(101,876)
					Profit on Revaluation of Investment Property	342,584	(1,124,378)	342,584	(1,124,378)
					Profit/(Loss) on Revaluation of Shares	0	0	0	0
					Profit on Sales of Shares	0	0	0	0
<b>CURRENT ASSETS</b>	<b>201,534,878</b>	<b>204,313,933</b>	<b>164,201,920</b>	<b>165,417,359</b>	Income from Participation Interests	(6,805,292)	(3,328,379)	(4,412,157)	
Inventory	22,262,334	23,871,504	9,544,192	10,467,635	Financial Income/(Expenses)	(5,666,608)	(6,805,292)	(3,328,379)	(4,412,157)
Investments in Shares & Bonds at fair value	2,231,187	1,888,603	2,231,187	1,888,603	<b>Profit/(Loss) before Income Tax</b>	<b>1,578,821</b>	<b>(4,805,441)</b>	<b>493,688</b>	<b>(3,256,745)</b>
Trade Debtors	35,186,170	30,492,484	25,743,006	24,777,397	Income Tax	(804,958)	(833,194)	(761,101)	(870,138)
Other Current Assets	4,546,209	7,262,101	1,406,642	1,867,781	<b>Profit/(Loss) after Income Tax</b>	<b>773,863</b>	<b>(5,638,635)</b>	<b>(267,413)</b>	<b>(4,126,883)</b>
Cash and Cash Equivalents	5,598,451	1,979,909	587,797	623,063	Ambulatory to:				
	<b>59,814,351</b>	<b>65,494,391</b>	<b>39,512,824</b>	<b>39,824,478</b>	Equity Shareholders	442,677	(5,324,076)	(267,413)	(4,126,883)
<b>TOTAL ASSETS</b>	<b>271,349,229</b>	<b>269,868,234</b>	<b>203,714,744</b>	<b>205,241,838</b>	Equity Minority Interest	331,186	(314,559)	0	0
					<b>Earnings After Taxes per share (in €)</b>	<b>0,0466</b>	<b>(0,3372)</b>	<b>(0,0161)</b>	<b>(0,2468)</b>
<b>EQUITY &amp; LIABILITIES</b>				<b>Depreciation</b>					
Share Capital	10,638,612	10,638,612	10,638,612	10,638,612	5,306,158	4,953,180	2,290,569	2,379,002	
Own Shares	(876,711)	(876,711)	(876,711)	(876,711)	6,902,845	3,124,229	3,479,483	2,279,790	
Share Premium Account	48,531,601	48,531,601	48,531,601	48,531,601	<b>E.B.I.T.</b>	<b>12,209,003</b>	<b>8,077,409</b>	<b>5,770,052</b>	<b>4,658,792</b>
Other Reserves	17,136,545	16,880,861	16,117,552	16,384,965	<b>CASH FLOW STATEMENT</b>				
Currency Consolidation Differences	5,999,477	1,863,381	0	0	<b>GROUP</b>		<b>COMPANY</b>		
	<b>81,029,523</b>	<b>77,037,744</b>	<b>74,411,054</b>	<b>74,678,467</b>	1/1 - 30/09/2005	1/1 - 30/09/2004	1/1 - 30/09/2005	1/1 - 30/09/2004	
Minority Interest	10,133,613	8,696,494	0	0	<b>Operating Activities</b>				
<b>Total Net Worth</b>	<b>91,163,136</b>	<b>85,736,238</b>	<b>74,411,054</b>	<b>74,678,467</b>	Profit before Income Tax	1,578,821	(4,805,441)	493,688	(3,256,745)
					Plus/minus Adjustments for:				
<b>LONG TERM LIABILITIES</b>				<b>Provisions for Non-cash Expenses</b>					
Long-term Loans	80,603,895	77,913,963	75,000,000	75,000,000	(1,982,292)	3,803,875	2,290,569	2,379,002	
Deferred Taxation	9,039,619	6,951,944	7,713,046	6,951,944	Interest Expenses/(Income)	6,570,163	6,855,326	4,342,032	4,574,665
Other Long-term Liabilities	6,376,109	10,475,229	6,292,952	6,274,451	<b>Profit from Operating Activities before Working Capital Movements</b>	<b>11,472,850</b>	<b>10,806,940</b>	<b>6,930,548</b>	<b>8,544,776</b>
	<b>96,219,614</b>	<b>95,341,530</b>	<b>89,005,728</b>	<b>88,226,405</b>	Decrease/(Increase) in Inventory	2,882,886	8,948,084	923,442	5,155,786
<b>SHORT TERM LIABILITIES</b>				<b>Decrease/(Increase) in Receivables</b>					
Trade Creditors and Suppliers	18,487,219	17,991,821	10,968,225	11,202,601	(5,676,333)	404,710	(565,475)	(2,364,977)	
Short-term Loans	58,589,387	56,544,683	24,380,255	24,289,112	(Decrease)/Increase in Liabilities (except from bank loans)	(86,691)	(166,075)	(980,569)	(1,724,761)
Tax Obligations for the current year	1,284,299	2,088,229	901,084	1,511,395	<b>Cash Flow from Operating Activities</b>	<b>8,592,712</b>	<b>19,993,659</b>	<b>6,307,946</b>	<b>9,610,824</b>
Other Short-term Liabilities	5,605,574	12,105,733	4,048,398	5,133,858	Minus:				
	<b>83,866,479</b>	<b>88,730,466</b>	<b>40,297,962</b>	<b>42,136,966</b>	Interest Expenses and Related Expenses Paid	(7,156,980)	(6,992,743)	(4,824,109)	(4,758,867)
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>271,349,229</b>	<b>269,868,234</b>	<b>203,714,744</b>	<b>205,241,838</b>	Income Taxes Paid	(652,639)	0	(646,712)	(4,581,957)
					<b>Total Inflows/(Outflows) from Operating Activities (a)</b>	<b>783,093</b>	<b>13,000,916</b>	<b>837,125</b>	<b>4,851,957</b>
<b>STATEMENT OF NET WORTH</b>				<b>Investment Activities</b>					
<b>GROUP</b>		<b>COMPANY</b>		<b>GROUP</b>		<b>COMPANY</b>			
1/1-30/09/2005	1/1-30/09/2004	1/1-30/09/2005	1/1-30/09/2004	1/1-30/09/2005	1/1-30/09/2004	1/1-30/09/2005	1/1-30/09/2004		
Beginning Net Worth as of 01/01/2005 & 01/01/2004	85,736,237	88,503,246	74,678,467	74,952,236	Disposal/(Acquisition) of Subsidiaries	0	93,881	(500,000)	93,881
New Ordinary Share Capital Increase/(Decrease)	0	0	0	0	Inflows/(Outflows) from sale of Investment Tools	0	24,825	0	24,825
Income Transfer directly to Equity Accounts	806,544	(4,110,527)	0	0	Purchase of Tangible and Intangible Assets	(1,603,018)	(8,472,471)	(524,639)	(3,347,990)
Profit/(Loss) of the period after tax	773,863	(5,638,635)	(267,413)	(4,126,883)	Inflows from Disposal of Assets	4,220,847	1,220,008	56,501	370,223
Disposal/(Purchase) of Own Shares	0	0	0	0	Interest Received	303,165	33,182	51,880	11,402
Translation Reserve	3,846,492	4,611,863	0	0	Dividends Received	122,979	162,606	122,979	162,606
Ending Net worth as of 30/09/2005 & 30/09/2004	91,163,136	83,365,947	74,411,054	70,825,353	<b>Total Inflows/(Outflows) from Investment Activities (b)</b>	<b>3,043,973</b>	<b>(6,939,067)</b>	<b>(795,279)</b>	<b>(2,685,151)</b>
<b>ADDITIONAL ELEMENTS AND INFORMATION</b>				<b>Financing Activities</b>					
1. The companies which have been consolidated in the above Financial Statements are presented in the following table with the corresponding participation percentages:				Inflows/(Outflows) from Share Capital Increase/Decrease					
				0					
				2,265,939					
				(102,297)					
				29,746,208					
				(176,698)					
				(32,860,795)					
				(117)					
				(600,703)					
				(279,112)					
				(3,415,290)					
				3,608,842					
				(1,460,673)					
				(235,266)					
				(1,248,484)					
				1,979,699					
				4,821,463					
				823,063					
				3,242,057					
				5,568,451					
				3,569,790					
				937,797					
				1,993,973					
2. The company has applied the same basic accounting principles 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 judicial or 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 point. Therefore, there is no relevant provision in this period's financial statements.									
5. The total number of employees at the end of the period for the Group is 1,525 and for the Company 317									
6. The total amount of the Company's sales and purchases towards and from affiliated companies, cumulatively from the beginning of the period is € 320.150 and € 655.828 respectively. The balances of the company's receivables and liabilities with its affiliated companies at the end of the current period is € 8.359.462 and € 100.963 respectively.									
7. Investments on tangible fixed assets during the 2005 are € 2.768.355 for the group and € 524.639 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 bil.									
12. The parent's Financial Statement accounts have been rearranged for the period 1/1/2005-30/6/2005, in order to be comparable with the 3rd quarter of 2005 (1/7/2005-30/9/2005)									
13. From September 2005 the process of the merge between SC TITAN and SC LOULIS SA, has already been started.									

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.	Soufli 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 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 judicial or 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 point. Therefore, there is no relevant provision in this period's financial statements.

5. The total number of employees at the end of the period for the Group is 1,525 and for the Company 317

6. The total amount of the Company's sales and purchases towards and from affiliated companies, cumulatively from the beginning of the period is € 320.150 and € 655.828 respectively. The balances of the company's receivables and liabilities with its affiliated companies at the end of the current period is € 8.359.462 and € 100.963 respectively.

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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 bil.

12. The parent's Financial Statement accounts have been rearranged for the period 1/1/2005-30/6/2005, in order to be comparable with the 3rd quarter of 2005 (1/7/2005-30/9/2005)

13. From September 2005 the process of the merge between SC TITAN and SC LOULIS SA, has already been started.