



# LOULIS MILLS S.A.

## BRIEF FINANCIAL STATEMENTS AND INFORMATION FOR THE FISCAL YEAR FROM JANUARY 1st 2005 TO DECEMBER 31st 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 MILLS GROUP OF COMPANIES. Readers, who wish for a complete picture of the Group's financial status and results, must access the annual financial statements according to the International Accounting Standards, as well as the audit report by the certified auditor-accountant. Incidentally such readers may refer to the Company's website, where such information is posted.

COMPANY INFORMATION				INCOME STATEMENT			
<b>Address of head offices :</b> Sourpi Magnisias-Loulis Port, 370 08 Greece <b>Societe Anonyme Reg.No.:</b> 10344/06/B/86/131 <b>Responsible Prefecture :</b> Ministry of Commerce and Development <b>Board of Directors' Composition :</b> Konstantinos Loulis, Olga Louli, Theofanis Sotirios Fotopoulos Nikolaos, Kozanitis Apostolos Barbatsalos Spiridon, Dimopoulos Konstantinos <b>Approval Date of the Annual Financial Statements :</b> 16/3/2006 <b>Certified Auditors-Accountants :</b> Anastasopoulos John <b>Auditing from :</b> B.K.R. Protypos Auditing S.A. <b>Type of Auditors' Audit Report :</b> In Agreement-Emphasis issues <b>Company Website :</b> www.loulisgroup.com				<b>Turnover</b> 131.189.212 208.577.333 67.516.759 108.322.597 <b>Cost of Goods Sold</b> (104.141.562) (171.837.113) (52.031.913) (88.639.489) <b>Gross Profit</b> 27.047.650 36.740.220 15.484.846 19.683.108 <b>Other income</b> 11.608.453 17.628.125 4.898.027 9.564.516 <b>Selling &amp; Distribution Expenses</b> (19.713.278) (22.495.873) (12.196.614) (14.402.115) <b>Administration Expenses</b> (7.474.708) (15.970.857) (3.277.962) (5.610.149) <b>Other non-operating expenses</b> (3.397.928) (8.378.162) (833.673) (1.339.277) <b>Profit/(Loss) on the revaluation of shares</b> 729.089 (450.095) 729.089 (450.095) <b>Financial Expense/(Income)</b> (8.414.683) (15.232.088) (4.587.296) (10.505.989) <b>Profit/(Loss) before income tax</b> 384.595 (8.158.730) 216.417 (3.060.001) <b>Income Tax</b> (1.061.196) (1.180.752) (1.004.991) (1.157.252) <b>Profit/(Loss) on ordinary activities after taxation</b> (676.601) (9.339.482) (788.574) (4.217.253)			
BALANCE SHEET ACCOUNTS				CASH FLOW STATEMENT			
Amounts in thousand €				GROUP			
ASSETS		COMPANY		GROUP		COMPANY	
		31/12/05	31/12/04	01/1-31/12/05	01/01-31/12/04	01/1-31/12/05	01/01-31/12/04
<b>Operating activities</b> <b>Profit before tax</b> 384.595 (8.158.730) 216.417 (3.060.001) <b>plus / minus adjustments for :</b> <b>Depreciation</b> 7.165.252 9.415.595 3.053.046 4.443.447 <b>Provisions for non-cash expenses</b> (822.970) 1.712.622 (250.453) 550.608 <b>Interest Expenses/(Income)</b> 4.381.295 14.998.647 5.727.324 10.505.990 <b>Profit from operating activities before working capital movements</b> 11.108.172 17.968.134 8.746.334 12.440.044 <b>Decrease / (increase) in Inventory</b> 2.090.506 (6.586.666) (1.629.818) (1.707.800) <b>Decrease / (increase) in Receivables</b> (2.992.303) (13.861.502) (1.886.782) (9.963.405) <b>Decrease / (increase) in Liabilities ( apart from Bank Debt)</b> (6.595.144) 17.142.079 583.355 9.928.534 <b>Minus:</b> <b>Interest Expenses and Related Expenses Paid</b> (7.496.941) (3.306.089) (2.933.245) (1.742.311) <b>Paid Taxes</b> (3.639.579) (13.832.887) (4.758.663) (9.287.995) <b>Total Inflows / (outflows) from operating activities (a)</b> (740.288) 829.158 348.414 1.409.738							
<b>Investment activities</b> <b>Acquisition of subsidiaries, associate, joint-ventures and other activities</b> (4.090) 0 (500.000) (9.046.998) <b>Inflows / (outflows) from the sale of investment activities</b> 953.064 (863.741) 0 87.881 <b>Purchase of Tangible and Intangible Assets</b> (2.415.515) (13.763.776) (957.457) (3.757.833) <b>Receivables from assets disposal</b> 4.346.683 1.954.911 219.207 882.155 <b>Interest Received</b> 368.070 122.567 74.516 89.469 <b>Dividends Received</b> 122.979 316.256 122.979 162.508 <b>Total Inflows / (outflows) from investment activities (b)</b> 3.371.191 (12.233.783) (1.040.755) (11.582.818)							
<b>Financing activities</b> <b>Inflows from Share Capital Increase</b> 0 0 0 0 <b>Inflows/(Outflows) from long term financing activities</b> (189.812) 32.104.260 764.998 29.335.254 <b>Inflows/(Outflows) from short term financing activities</b> (28.243) (21.628.866) 0 (19.643.202) <b>Dividends Paid</b> 0 (105.618) 0 (48.406) <b>Total Inflows / (Outflows) from Financing Activities (c)</b> (218.055) 10.369.776 764.998 9.643.646 <b>Net Increase / (Decrease) in Cash and Cash Equivalents for the Period (a) + (b) + (c)</b> 2.412.848 (1.034.849) 72.657 (529.434) <b>Cash and Cash Equivalents at the Beginning of the Period</b> 1.979.609 3.014.458 823.063 1.352.497 <b>Cash and Cash Equivalents at the End of the Period</b> 4.392.457 1.979.609 895.720 823.063							
STATEMENT OF NET WORTH CHANGES FOR THE PERIOD				GROUP			
		01/1-31/12/05	1/1-31/12/04	01/1-31/12/05	1/1-31/12/04		
<b>Net Worth at Beginning of the Period 01/01/2005 and 01/01/2004</b> 85.736.239 82.937.372 74.678.468 72.881.417 <b>New ordinary share capital increase/(decrease)</b> 0 (64.896) 0 (64.896) <b>Income transfer directly to Equity Accounts</b> 3.358.634 11.842.305 (1.337.241) 5.718.260 <b>Profit/(Loss) of the period after tax</b> (676.601) (9.339.482) (788.574) (4.217.253) <b>Disposal/(Purchase) of own shares</b> 0 360.940 0 360.940 <b>Net worth at End of the Period 31/12/2005 and 31/12/2004 respectively</b> 88.418.272 85.736.239 72.552.653 74.678.468							

ADDITIONAL ELEMENTS AND INFORMATION					
1. The companies which have been consolidated in the above financial statements are presented in the following table with the corresponding ownership stakes					
COMPANY NAME	DOMICILE - COUNTRY	PARTICIPATION STAKE	RELATIONSHIP WITH THE PARENT COMPANY	CONSOLIDATION METHOD	UNAUDITED TAX FISCAL YEARS
LOULIS MILLS S.A.	Sourpi Magnisias	Parent	Parent	Full	3
LOULIS INTERNATIONAL FOODS ENTERPRISES Ltd.	Levkosia-Cyprus	88,35%	Direct	Full	4
LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA Ltd.	Levkosia-Cyprus	100,00%	Direct	Full	4
ATLAS S.A.	Tirana, Albania	41,45%	Direct	Full	2
SC LOULIS S.A.	Bucharest-Romania	75,39%	Indirect	Full	3
SC TITAN S.A.	Bucharest-Romania	72,35%	Indirect	Full	4
LOULIS MEL BULGARIA S.A.	Sofia-Bulgaria	100,00%	Indirect	Full	2
SOFIA MEL S.A.	Sofia-Bulgaria	92,59%	Indirect	Full	3

2. The company has applied the basic accounting principles of the balance sheet 31-12-2004. The Group applies the "The I.F.R.S. Stable Platform 2005" starting January 1st 2005

3. 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.

4. There are no pending judicial cases or court decisions, which may have a material impact on the financial operations of the Company

5. The total number of employees at 31/12/2005, for the Group: 1,484 and for the Company: 312

6. The amounts of the Company's sales and purchases, towards and from affiliated Companies, cumulatively from the beginning of the period, amount to € 352.140 and € 555.828 respectively. The balance of the Company's receivables and liabilities with its affiliated Companies at the end of the current period amount to € 5.393.803,43 and € 42.793,62 respectively.

7. Investments on tangible fixed assets during the 2005 are for the Group: in € : 2.415.514,82 and for the company in € 957.456,83

8. 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 previous financial year was an eighteen month period (1/7/2003-31/12/2004). In 2004 the company changed the computation period from 30.06 to 31.12. In Profit & Loss statement the was compiled for a period bigger than 12 months thus for 18 months (1/7/2003-31/12/2004), in order for all the Company's of the Group to have the same Fiscal Year. Therefor, in the current year the Financial Statements of 2005, the amounts concerning 2004 are not completed comparable because the refer to the 18 month period not the 12 month. Therefor, in the current year the Financial Statements of 2005, the amounts concerning 2004 are not completed comparable because the refer to the 18 month period not the 12 month.

9. In 1.2.2005 the merger of SC MOARA LOULIS-ROMANIAN FLOUR MILLS LOULIS SA was completed from the listed on the Stock Exchange of Ramania S.C.MOPAN SA and it was renamed SC LOULIS SA.

10. In the consolidated Profit & Loss Statement of 31.12.04, there has been a re-arrangement of amounts, as well as corrections in certain amounts, in order to be comparable with the respective amounts of 2005. There have been also a correction on the Equity of the Group of Company's explained in the Annex (Note 13, of the Annex)

11. In 1.3.2006 the merge of SC TITAN SA was completed from the listed on the Stock Exchange of Romania, SC LOULIS SA