



# LOULIS MILLS S.A.

## FINANCIAL STATEMENTS AND INFORMATION FOR THE FISCAL YEAR FROM JANUARY 1st 2006 TO JUNE 30th 2006

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.

BALANCE SHEET				INCOME STATEMENT									
Amounts in thousand €	GROUP		COMPANY		GROUP				COMPANY				
	30/06/06	31/12/05	30/06/06	31/12/05	1/1-30/6/2006	1/1-30/6/2005	1/4-30/6/2006	1/4-30/6/2005	1/1-30/6/2006	1/1-30/6/2005	1/4-30/6/2006	1/4-30/6/2005	
<b>ASSETS</b>													
Intangible Fixed Assets	162,751,794	158,629,391	99,576,286	101,200,858	Turnover	63,823,910	65,317,174	70,355,029	31,562,466	31,225,698	34,490,007	16,194,851	18,588,238
Investment Property	1,328,588	0	0	0	Cost of Goods Sold	(51,377,196)	(51,881,265)	(27,210,861)	(26,309,926)	(29,464,668)	(29,990,210)	(12,888,547)	(14,083,178)
Goodwill	39,916,555	39,916,555	0	0	<b>Gross Profit</b>	<b>12,546,714</b>	<b>13,555,909</b>	<b>6,244,768</b>	<b>7,252,540</b>	<b>6,761,050</b>	<b>8,390,791</b>	<b>3,296,304</b>	<b>4,505,060</b>
Other Intangible Assets	57,490	78,604	51,234	68,738	Other income	4,916,613	5,217,912	2,271,596	1,190,125	2,138,748	2,801,139	1,070,026	1,894,878
Investment in subsidiaries	0	0	53,695,134	53,695,134	Selling & Distribution Expenses	(9,374,107)	(9,649,902)	(5,214,838)	(5,214,838)	(5,536,532)	(6,094,077)	(3,043,512)	(3,625,985)
Other long term claims	1,802,881	1,283,067	4,842,398	5,778,868	Administration Expenses	(4,466,239)	(3,679,251)	(2,388,266)	(1,905,915)	(2,477,805)	(2,477,805)	(1,560,226)	(934,622)
					Other non-operating expenses	(1,438,082)	(641,467)	(1,300,257)	(951,224)	(12,048)	(12,048)	(538,438)	(475,585)
<b>CURRENT ASSETS</b>	<b>203,850,548</b>	<b>199,959,540</b>	<b>158,165,052</b>	<b>160,743,058</b>	Profit on revaluation of Investment property	1,232,931	0	1,777	0	0	0	0	0
Inventory	19,528,853	22,725,105	8,593,388	12,097,452	Profit/(Loss) on the revaluation of shares	642,246	70,508	(148,323)	(86,669)	641,246	70,508	(149,323)	(52,765)
Investments in shares & bonds at fair value	3,258,938	2,617,692	3,258,938	2,617,692	Financial Expense/(Income)	(6,950,156)	(4,215,077)	(1,684,823)	(1,958,267)	(4,772,896)	(2,483,489)	(3,021,562)	(1,406,608)
Trade Debtors	13,276,706	14,610,731	24,785,141	26,995,940	Profit/(Loss) before income tax	<b>(3,592,189)</b>	<b>720,922</b>	<b>(4,413,011)</b>	<b>(881,740)</b>	<b>(3,288,237)</b>	<b>512,832</b>	<b>(3,388,871)</b>	<b>(140,969)</b>
Other current assets	3,297,835	4,713,434	1,498,876	1,857,292	Income Tax	(510,699)	(551,781)	(248,185)	(551,781)	(497,209)	(510,399)	(234,999)	(510,399)
Cash and cash equivalents	1,838,998	4,202,467	6,662,216	985,730	Profit/(Loss) on ordinary activities after taxation	<b>(3,102,229)</b>	<b>169,141</b>	<b>(4,661,200)</b>	<b>(1,133,521)</b>	<b>(3,765,441)</b>	<b>1,633</b>	<b>(3,620,865)</b>	<b>(651,368)</b>
					Attributable to:								
<b>TOTAL ASSETS</b>	<b>267,064,878</b>	<b>268,968,968</b>	<b>196,966,629</b>	<b>204,305,194</b>	Equity Shareholders	(3,216,090)	18,505	(4,438,144)	(1,104,802)	(3,745,441)	1,633	(3,620,865)	(651,368)
					Equity Minority Interest	213,820	150,216	(225,056)	(28,639)	0	0	0	0
<b>EQUITY &amp; LIABILITIES</b>					<b>Earnings after taxes per share (in €)</b>	<b>(0.1866)</b>	<b>0.0102</b>	<b>(0.2884)</b>	<b>(0.0682)</b>	<b>(0.2265)</b>	<b>0.0001</b>	<b>(0.2178)</b>	<b>(0.0392)</b>
Share Capital	10,638,612	10,638,612	10,638,612	10,638,612	Depreciation	3,686,061	3,570,035	1,851,746	1,851,560	1,523,555	1,529,112	762,580	787,385
Reserve for entity's own shares	0	(876,711)	0	(876,711)	<b>Profit before taxes and Financial Results</b>	<b>1,584,199</b>	<b>4,826,941</b>	<b>(380,631)</b>	<b>1,463,196</b>	<b>843,413</b>	<b>2,516,463</b>	<b>(202,977)</b>	<b>1,318,344</b>
Share Premium Account	48,531,601	48,531,601	48,531,601	48,531,601	<b>Profit before tax, financial results and depreciation</b>	<b>5,270,360</b>	<b>8,426,976</b>	<b>1,271,113</b>	<b>3,274,846</b>	<b>2,366,968</b>	<b>4,445,975</b>	<b>508,603</b>	<b>2,100,729</b>
Other Reserves	19,169,801	18,182,217	10,331,471	14,259,151									
Currency Consolidation Differences	1,791,782	2,111,233	0	0	<b>CASH FLOW STATEMENT</b>								
Minority Interest	10,711,786	78,969,927	69,401,685	72,552,653									
<b>TOTAL EQUITY &amp; LIABILITIES (a) + (b)</b>	<b>267,064,878</b>	<b>268,968,968</b>	<b>196,966,629</b>	<b>204,305,194</b>									
<b>STATEMENT OF NET WORTH</b>													
<b>Net Worth at Beginning of the Period 01/01/2006 and 01/01/2005</b>	<b>88,418,272</b>	<b>85,736,239</b>	<b>72,552,653</b>	<b>74,678,468</b>									
New ordinary share capital increase/(decrease)	0	0	0	0									
Income transfer directly to Equity Accounts	2,010,520	2,518,524	(262,239)	0									
Profit/(Loss) of the period after tax	(1,302,229)	169,141	(3,765,441)	1,633									
Disposal/(Purchase) of own shares	876,711	0	876,711	0									
Translation Reserve	2,640,398	(2,720,531)	0	0									
<b>Net Worth at End of the Period 30/06/2006 and 30/06/2005 respectively</b>	<b>90,843,582</b>	<b>85,684,373</b>	<b>69,401,684</b>	<b>74,680,101</b>									

### 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.	Spartan Magnisias	Parent	Parent	Full	3
LOULIS INTERNATIONAL FOODS ENTERPRISES LTD.	Levkosia-Cyprus	88.36%	Direct	Full	4
LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA LTD.	Levkosia-Cyprus	100.00%	Direct	Full	4
ATLAS S.A.	Trans-Albania	41.40%	Direct	Full	2
SC LOULIS S.A.	Bucharest-Romania	78.00%	Indirect	Full	3
LOULIS MEL BULGARIA S.A.	Sofia-Bulgaria	100.00%	Indirect	Full	2
SOFA MEL S.A.	Sofia-Bulgaria	92.59%	Indirect	Full	3

2. The company has applied the basic accounting principles of the balance sheet 31-12-2005.

3. Tangible assets of Loulis Mills S.A., up to the amount of € 99,750 thousand, were used as collateral in order to secure a bond loan, worth of € 78,246 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 30/06/2006, for the Group, 1,438 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 € 425,812.56 and € 0 respectively. The balance of the Company's receivables and liabilities with its affiliated Companies at the end of the current period amount to € 4,161,095.22 and € 42,793.28 respectively.

7. Investments on tangible fixed assets during the first 6 month period of 2006 are for the Group, in € 619,530,30.08 and for the company in € 113,535.98

8. In 13/2006 the merge of SC TITAN SA was completed from the listed on the Stock Exchange of Romania, SC LOULIS SA.

9. The first 6 months of 2006, financial statements were affected by an amount of €50,308.40 from issue of Own Shares.

