



LOULIS MILLS S.A.

FINANCIAL STATEMENTS AND INFORMATION FOR THE FISCAL YEAR FROM JANUARY 1st 2006 TO MARCH 31st 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. Indicatively such readers may refer to the Company's website, where such information is posted.

Amounts in thousand €	BALANCE SHEET				INCOME STATEMENT			
	GROUP		COMPANY		GROUP		COMPANY	
	31/03/06	31/12/05	31/03/06	31/12/05	01/1-31/03/06	01/1-31/03/05	01/1-31/03/06	01/1-31/03/05
ASSETS								
Tangible Fixed Assets	162.553.942	158.629.391	100.301.531	101.200.858	30.268.881	31.809.708	15.030.847	15.703.769
Investment Property	1.347.650	0	0	0	(23.966.934)	(25.508.339)	(11.566.101)	(11.815.638)
Goodwill	39.916.555	39.916.555	0	0	6.301.947	6.301.369	3.464.746	3.888.131
Other Intangible Assets	68.275	78.604	61.054	68.738	2.635.015	3.342.827	1.058.722	1.026.263
Investment in subsidiaries	0	0	53.695.134	53.695.134	(4.359.271)	(4.096.772)	(2.493.021)	(2.468.092)
Investment in shares for trading	2.020	1.932	0	0	(1.885.032)	(1.773.436)	(917.569)	(788.930)
Other long term claims	2.651.720	1.283.067	5.978.363	5.778.868	(1.048.698)	(380.243)	(586.364)	(59.253)
	<u>206.540.162</u>	<u>199.909.549</u>	<u>160.036.082</u>	<u>160.743.598</u>	790.578	165.727	790.578	131.763
CURRENT ASSETS					1.231.154	0	0	0
Inventory	19.580.769	22.725.105	10.191.517	12.097.452	(1.844.858)	(2.256.810)	(1.219.459)	(1.076.881)
Investments in shares & bonds at fair value	3.408.270	2.617.692	3.408.270	2.617.692	Profit/(Loss) on the revaluation of shares	0	0	0
Trade Debtors	36.120.723	34.610.731	26.247.137	26.093.440	Profit on revaluation of Investment property	0	0	0
Other current assets	4.295.385	4.713.434	1.368.366	1.857.292	Financial Expense/(Income)	0	0	0
Cash and cash equivalents	2.825.391	4.392.457	662.814	895.720	Profit/(Loss) before income tax	1.820.835	1.302.662	97.633
	<u>66.230.538</u>	<u>69.059.419</u>	<u>41.878.104</u>	<u>43.561.596</u>	Income Tax	(261.861)	0	(242.210)
TOTAL ASSETS	272.770.700	268.968.968	201.914.186	204.305.194	Profit/(Loss) on ordinary activities after taxation	1.558.974	1.302.662	653.001
EQUITY & LIABILITIES					Attributable to :			
Share Capital	10.638.612	10.638.612	10.638.612	10.638.612	Equity Shareholders	1.120.096	1.123.807	(144.577)
Reserve for entity's own shares	(876.711)	(876.711)	(876.711)	(876.711)	Equity Minority Interest	438.877	178.855	0
Share Premium Account	48.531.601	48.531.601	48.531.601	48.531.601	Earnings after taxes per share (in €)	(0,0158)	0,0784	(0,0146)
Other Reserves	21.765.534	18.192.217	14.078.736	14.259.151	Depreciation	1.834.315	1.758.385	760.975
Currency Consolidation Differences	3.930.307	2.111.233	0	0	Profit before taxes and Financial Results	1.643.961	3.393.745	526.514
Minority Interest	83.989.343	78.596.952	72.372.239	72.552.653	Profit before tax, financial results and depreciation	3.478.276	5.152.130	1.287.489
Total Net Worth	94.761.939	88.418.272	72.372.239	72.552.653				
LONG TERM LIABILITIES								
Long-term loans	73.739.989	72.730.335	67.490.000	67.490.000				
Deferred Taxation	9.557.683	9.295.870	8.199.146	7.956.936				
Other long-term liabilities	6.223.337	6.245.250	6.080.029	6.108.127				
	<u>89.521.009</u>	<u>88.271.455</u>	<u>81.769.175</u>	<u>81.555.063</u>				
SHORT TERM LIABILITIES								
Trade Creditors and Suppliers	15.318.888	19.877.425	10.602.207	13.189.810				
Short Term Loans	68.303.961	66.405.911	33.552.442	32.564.109				
Tax Obligation current year	113.577	945.921	467.308	824.933				
Other Short Term Liabilities	4.751.326	5.049.984	3.150.816	3.618.626				
	<u>88.487.752</u>	<u>92.279.241</u>	<u>47.772.772</u>	<u>50.197.478</u>				
TOTAL EQUITY & LIABILITIES (a) + (b)	272.770.700	268.968.968	201.914.186	204.305.194				

	STATEMENT OF NET WORTH			
	GROUP		COMPANY	
	01/1-31/03/06	01/1-31/03/05	01/1-31/03/06	01/1-31/03/05
Net Worth at Beginning of the Period 01/01/2006 and 01/01/2005	88.418.272	85.736.239	72.552.653	74.678.468
New ordinary share capital increase/(decrease)	0	0	0	0
Income transfer directly to Equity Accounts	4.784.693	(221.007)	(35.837)	0
Profit/(Loss) of the period after tax	1.558.974	1.302.662	(144.577)	653.001
Disposal/(Purchase) of own shares	0	0	0	0
Net worth at End of the Period 31/3/2006 and 31/12/2005 respectively	94.761.939	86.817.894	72.372.239	75.331.469

	CASH FLOW STATEMENT			
	GROUP		COMPANY	
	01/1-31/03/06	01/1-31/03/05	01/1-31/03/06	01/1-31/03/05
Operating activities	1.820.835	1.302.662	97.633	653.001
Profit before tax	1.820.835	1.302.662	97.633	653.001
plus / minus adjustments for :				
Depreciation	1.834.315	1.758.385	760.975	741.731
Provisions for non-cash expenses	(3.192.660)	688.894	(2.363.518)	(484.451)
Interest Expenses/(Income)	1.806.453	2.256.810	1.219.459	1.076.881
Profit from operating activities before working capital movements	2.268.943	6.006.751	(285.451)	1.987.162
Decrease / (increase) in Inventory	3.367.226	4.202.858	1.905.936	1.657.078
Decrease / (increase) in Receivables	(506.508)	(6.841.067)	953.834	(1.702.328)
Decrease / (increase) in Liabilities (apart from Bank Debt)	(6.935.044)	22.982.914	(3.221.944)	(1.749.256)
Minus:	(4.074.326)	20.344.705	(362.175)	(1.794.506)
Interest Expenses and Related Expenses Paid	(1.306.947)	(1.814.817)	(690.246)	(1.644.136)
Paid Taxes	(35.837)	(320.911)	(35.836)	(326.717)
Total inflows / (outflows) from operating activities (a)	(3.148.167)	24.215.728	(1.373.707)	(1.778.197)
Investment activities	(214.857)	(6.936.469)	152.499	(485.524)
Acquisition of subsidiaries, associate, joint-ventures and other activities	0	0	0	(500.000)
Inflows / (outflows) from the sale of investment activities	0	0	0	0
Purchase of Tangible and Intangible Assets	(497.512)	(7.362.122)	(86.546)	(6.090)
Receivables from assets disposal	277.961	425.653	239.015	20.550
Interest Received	4.694	0	30	16
Dividends Received	0	0	0	0
Total inflows / (outflows) from investment activities (b)	(214.857)	(6.936.469)	152.499	(485.524)
Financing activities	1.795.958	(17.675.510)	988.302	2.629.593
Inflows from Share Capital Increase	0	0	0	0
Inflows/(Outflows) from long term financing activities	342.261	(17.675.510)	0	2.629.593
Inflows/(Outflows) from short term financing activities	1.453.738	0	988.333	0
Dividends Paid	(41)	0	(31)	0
Total Inflows / (Outflows) from Financing Activities (c)	1.795.958	(17.675.510)	988.302	2.629.593
Net Increase / (Decrease) in Cash and Cash Equivalents for the Period (a) + (b) + (c)	(1.567.066)	(396.251)	(232.906)	365.872
Cash and Cash Equivalents at the Beginning of the Period	4.392.457	4.934.739	895.720	823.063
Cash and Cash Equivalents at the End of the Period	2.825.391	4.538.488	662.814	1.188.935

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	76,06%	Indirect	Full	3
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 31-12-2005.

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 € 76.246 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 31/3/2006, for the Group: 1.463 and for the Company: 318.

6. The amounts of the Company's sales and purchases, towards and from affiliated Companies, cumulatively from the beginning of the period, amount to € 74.477.05.

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 € 4.008.516,07 and € 42.803 respectively.

7. Investments on tangible fixed assets during the A' Term 2006 are for the Group: in € 497.512,08 and for the company in € 86.546,08

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