



# LOULIS MILLS S.A.

Reg. No 10344/06/B/86/131

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

## FINANCIAL STATEMENTS AND INFORMATION FOR THE PERIOD FROM JANUARY 1st 2008 TO JUNE 30th 2008

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 financial statements according to the International Accounting Standards, as well as the audit report by the certified auditor-accountant -if needed. 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

	GROUP		COMPANY	
	30/6/2008	31/12/2007	30/6/2008	31/12/2007
<b>ASSETS</b>				
Tangible Fixed Assets	163.649.780	167.478.966	94.850.975	95.934.699
Investment Property	3.148.900	3.148.900	0	0
Goodwill	26.894.450	26.550.998	0	0
Other Intangible Assets	77.975	38.592	27.972	36.949
Investment in Subsidiaries	0	0	22.128.641	21.850.641
Investment in Shares for trading	2.197	2.217	0	0
Other Long-term Receivables	2.130.973	156.624	129.816	132.369
	<b>195.904.275</b>	<b>197.376.297</b>	<b>117.137.404</b>	<b>117.954.658</b>
<b>CURRENT ASSETS</b>				
Inventory	38.943.935	48.264.632	18.629.686	23.084.060
Investments in Shares & Bonds at fair value	0	0	0	0
Trade Debtors	45.698.916	47.330.152	31.040.875	31.638.973
Other Current Assets	5.721.544	3.716.937	2.245.691	1.767.965
Cash and Cash Equivalents	3.283.566	5.851.211	813.267	2.608.986
	<b>93.647.961</b>	<b>105.162.932</b>	<b>52.729.519</b>	<b>59.099.984</b>
<b>TOTAL ASSETS</b>	<b>289.552.236</b>	<b>302.539.229</b>	<b>169.866.923</b>	<b>177.054.642</b>
<b>EQUITY &amp; LIABILITIES</b>				
Share Capital	10.638.611	10.638.612	10.638.612	10.638.612
Share Premium Account	48.531.601	48.531.601	48.531.601	48.531.601
Other Reserves	41.641.367	39.252.138	14.899.559	12.187.951
Currency Consolidation Differences	63.164	-655.633	0	0
	100.874.743	97.766.717	74.069.772	71.358.164
Minority Interest	35.323.481	35.862.793	0	0
<b>Total Net Worth</b>	<b>136.198.224</b>	<b>133.629.510</b>	<b>74.069.772</b>	<b>71.358.164</b>
<b>LONG TERM LIABILITIES</b>				
Long-term Loans	48.577.376	33.730.671	44.000.000	31.000.000
Deferred Taxation	10.609.820	11.517.218	8.200.328	8.385.721
Other Long-term Liabilities	8.870.185	7.349.354	7.122.308	5.548.853
	<b>68.057.381</b>	<b>52.597.243</b>	<b>59.322.636</b>	<b>44.934.574</b>
<b>SHORT TERM LIABILITIES</b>				
Trade Creditors and Suppliers	13.137.920	24.963.345	6.326.385	14.499.945
Short-term Loans	66.779.945	82.096.451	22.222.070	36.376.178
Tax Obligations for the current year	1.729.130	1.015.287	436.392	135.995
Other Short-term Liabilities	3.649.637	8.237.393	7.489.668	9.749.786
	<b>85.296.632</b>	<b>116.312.476</b>	<b>36.474.515</b>	<b>60.761.904</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>289.552.236</b>	<b>302.539.229</b>	<b>169.866.923</b>	<b>177.054.642</b>

### STATEMENT OF NET WORTH

	GROUP		COMPANY	
	30/6/2008	30/6/2007	30/6/2008	30/6/2007
<b>Beginning Net Worth as of 01/01/2008 &amp; 01/01/2007</b>	<b>133.629.511</b>	<b>94.161.136</b>	<b>71.358.164</b>	<b>68.627.691</b>
New Ordinary Share Capital Increase/(Decrease)				
Income Transfer directly to Equity Accounts	241.352	(2.046.336)	0	0
Profit/(Loss) of the period after tax	3.432.043	2.572.783	2.711.608	(11.756)
Disposal/(Purchase) of Own Shares				
Translation Reserve	(1.104.682)	1.137.762	0	0
<b>Ending Net worth as of 31/3/2008 &amp; 31/3/2007</b>	<b>136.198.224</b>	<b>95.825.345</b>	<b>74.069.772</b>	<b>68.615.935</b>

### INCOME STATEMENT

	GROUP		COMPANY	
	1/1 - 30/6/2008	1/1 - 30/6/2007	1/1 - 30/6/2008	1/1 - 30/6/2007
Turnover	117.091.734	82.089.529	49.903.519	35.650.374
Cost of Goods Sold	(92.784.389)	(64.457.586)	(36.839.842)	(27.012.407)
<b>Gross Profit</b>	<b>24.307.345</b>	<b>17.631.943</b>	<b>13.063.677</b>	<b>8.637.967</b>
Other Income	3.678.215	4.154.368	1.622.088	1.856.606
Sales & Marketing Expenses	(11.231.470)	(9.996.984)	(5.728.759)	(5.369.946)
Administration Expenses	(5.140.845)	(3.675.773)	(1.622.975)	(1.668.705)
Other Non-Operating Expenses	(3.292.051)	(375.336)	(1.725.642)	(41.625)
Profit on Revaluation of Investment Property				
Profit/(Loss) on Revaluation of Shares				
Profit on Sales of Shares				
Income from Participation Interests		367.736		367.736
Financial Income/(Expenses)	(4.633.538)	(4.960.625)	(2.443.403)	(3.399.346)
<b>Profit/(Loss) before Income Tax</b>	<b>3.687.656</b>	<b>3.145.328</b>	<b>3.164.986</b>	<b>382.687</b>
Income Tax	(663.953)	(572.544)	(453.378)	(394.442)
<b>Profit/(Loss) after Income Tax</b>	<b>3.024.103</b>	<b>2.572.783</b>	<b>2.711.608</b>	<b>(11.755)</b>
Attributable to:				
Equity Shareholders	2.636.332	2.203.923	2.711.608	(11.755)
Equity Minority Interest	795.711	368.861	0	0
<b>Earnings After Taxes per share (in €)</b>	<b>0,1586</b>	<b>0,1326</b>	<b>0,1631</b>	<b>(0,0007)</b>
Depreciation	3.769.358	3.813.011	1.497.458	1.494.696
E.B.I.T.	8.321.194	7.738.216	5.608.389	3.414.297
E.B.I.T.D.A.	12.090.552	11.551.227	7.105.847	4.908.993

### CASH FLOW STATEMENT

	GROUP		COMPANY	
	1/1 - 30/6/2008	1/1 - 30/6/2007	1/1 - 30/6/2008	1/1 - 30/6/2007
<b>Operating Activities</b>				
Profit before Income Tax	4.095.596	3.145.327	3.164.986	382.687
Plus/minus Adjustments for:				
Depreciation	3.769.358	3.813.011	1.497.458	1.494.696
Provisions for Non-cash Expenses	1.558.784	(2.536.294)	1.282.484	(1.646.081)
Interest Expenses/(Income)	4.010.426	4.960.625	1.811.175	3.399.346
<b>Profit from Operating Activities before Working Capital Movements</b>	<b>13.434.164</b>	<b>9.382.669</b>	<b>7.756.103</b>	<b>3.630.648</b>
Decrease/(Increase) in Inventory	9.402.701	(1.830.631)	4.654.374	155.462
Decrease/(Increase) in Receivables	(1.918.224)	(1.788.695)	122.925	(710.013)
(Decrease)/Increase in Liabilities (except from bank loans)	(14.558.502)	(3.573.172)	(10.948.190)	(2.596.370)
<b>Cash Flow from Operating Activities</b>	<b>6.360.139</b>	<b>2.190.171</b>	<b>1.585.212</b>	<b>479.727</b>
Minus:				
Interest Expenses and Related Expenses Paid	(4.027.669)	(4.113.831)	(1.675.246)	(2.505.561)
Income Taxes Paid	(1.032.953)	(34.718)	(32.345)	(34.718)
<b>Total Inflows/(Outflows) from Operating Activities (a)</b>	<b>1.299.517</b>	<b>(1.958.378)</b>	<b>(122.379)</b>	<b>(2.060.552)</b>
<b>Investment Activities</b>				
Disposal/(Acquisition) of Subsidiaries	(820.165)	(4.851.160)	(278.000)	(4.696.160)
Inflows/(Outflows) from sale of Investment Tools	0	3.945.647	0	3.790.645
Purchase of Tangible and Intangible Assets	(1.697.825)	(191.143)	(453.616)	(265.865)
Inflows from Disposal of Assets	75.612	823.814	76.454	37.041
Interest Received	288.908	8.439	135.930	3.643
Dividends Received	0	0	0	0
<b>Total Inflows/(Outflows) from Investment Activities (b)</b>	<b>(2.153.470)</b>	<b>(264.403)</b>	<b>(519.232)</b>	<b>(1.130.696)</b>
<b>Financing Activities</b>				
Inflows/(Outflows) from Share Capital Increase/Decrease				
Inflows/(Outflows) from Long-term Loans	4.646.291	3.065.047	13.000.000	0
Inflows/(Outflows) from Short-term Loans	(4.983.715)	(685.206)	(14.154.108)	2.872.296
Dividends Paid				
<b>Total Inflows/(Outflows) from Financing Activities (c)</b>	<b>(337.424)</b>	<b>2.379.841</b>	<b>(1.154.108)</b>	<b>2.872.296</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents for the Period (a)+(b)+(c)</b>	<b>(1.191.377)</b>	<b>157.060</b>	<b>(1.795.719)</b>	<b>(318.952)</b>
<b>Beginning Cash and Cash Equivalents</b>	<b>5.851.211</b>	<b>2.091.737</b>	<b>2.608.986</b>	<b>779.312</b>
<b>Ending Cash and Cash Equivalents</b>	<b>4.659.834</b>	<b>2.248.797</b>	<b>813.267</b>	<b>460.360</b>

### ADDITIONAL ELEMENTS AND INFORMATION

- The Interim Financial Statements of the period 1/1-30/6/2008 have been audited by a Certified Auditor - Accountant and have been structured according to the International Financial Reporting Standards (IFRS) and specifically according to the IAS 34.
- 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	Parent	-	6
LOULIS INTERNATIONAL FOODS ENTERPRISES Ltd.	Nicosia-Cyprus	100,00%	Direct	Full	3
LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA Ltd.	Nicosia-Cyprus	100,00%	Direct	Full	3
ATLAS S.A.	Tirana, Albania	41,45%	Direct	Full	5
S.C.TITAN S.A. (formerly SC LOULIS S.A. until 31/07/2007)	Bucharest-Romania	29,50%	Indirect	Full	6
LOULIS MEL-BULGARIA S.A.	Sofia-Bulgaria	100,00%	Indirect	Full	5
SOFIA MEL S.A.	Sofia-Bulgaria	35,33%	Indirect	Full	6

3. The company has applied the same basic accounting principles as with the balance sheet as of 31/12/2007.

4. Tangible assets of Loulis Mills S.A., up to the amount of € 99,75 million, are used as collateral in order to secure bank loans, worth of € 30 million. There is also a collateral of € 10 million in a subsidiary in Bulgaria in order to secure a loan of € 13,5 million.

5. 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.

6. The total number of employees as of 30/06/2008 for the Group is 1.353 and for the Company 289, contrary to 1.373 for the Group and 297 for the Company as of 30/06/2007.

7. Cumulative sales and purchases from the beginning of the fiscal year and the balances of receivables and liabilities of the Group and the parent company at the end of the current period that have resulted from the transactions with the related parties, as defined by IAS 24 are as follows:

	GROUP	COMPANY
a) Sales of products and services	--	157.415
b) Purchases of products and services	--	990.691
c) Receivables	--	909.926
d) Liabilities	--	5.150.138
e) Transactions and salaries of managing officers and members of managing boards	337.134	284.754
f) Receivables from managing officers and members of managing boards	36.059	36.059
g) Liabilities to managing officers and members of managing boards	--	--

8. Regarding note 7, there are no transactions of the Group with related companies.

9. Regarding note 2, and more specifically for the subsidiaries ATLAS S.A. with participation share 41,45%, SC TITAN S.A. (formerly SC LOULIS S.A.) with indirect participation share 29,5%, SOFIA MEL S.A. with indirect participation share 35,33% the consolidation method followed is full consolidation, due to the fact that LOULIS MILLS S.A. controls these companies.

10. Investments in Tangible Fixed Assets for the first semester of 2008 are for the Group € 1.698 k and for the company € 454 k.

11. On 3/1/2008, the sale of the 1,3% of LOULIS INTERNATIONAL FOODS ENTERPRISES Ltd stocks with price that amounted in 278 k euros was concluded. After the transfer LOULIS MILLS S.A. controls 100% of LIFE Ltd which controls 29,5% of TITAN S.A.

12. On 16/01/2008 LOULIS MEL BULGARIA S.A. (based in Sofia) bought, through Sofia's Stock Exchange, 13.610 stocks of her affiliated company SOFIA MEL S.A. (based in Sofia) and the percentage increased from 33,31% to 35,33%.

13. From 7/2/2008 tax audit is in progress for LOULIS MILLS S.A. for the fiscal years 1/7/2002 until 31/12/2005 (3 fiscal years)

14. On 03/03/2008 LOULIS MILLS S.A. proceeded in contracting a common debenture loan of 5 millions Euros, aiming at the renewal of existing short-term loans with more favourable for the Company terms. The loan has three-year duration and the publication became in collaboration with BANK CYPRUS PUBLIC COMPANY [LIMITED].

15. On 27/03/2008 LOULIS MILLS S.A. proceeded in contracting a common debenture loan of 2 millions Euros, aiming at the renewal of existing short-term loans with more favourable for the Company terms. The loan has five-year duration and the publication became in collaboration with Bank "EFG EUROBANK ERGASIAS".

16. On 19/5/2008 LOULIS MILLS S.A. proceeded in contracting a common debenture loan of 4 millions Euros, aiming at the renewal of existing short-term loans with more favourable for the Company terms. The loan has three-year duration and the publication became in collaboration with ASPIS BANK.

17. On 3/6/2008 LOULIS MILLS S.A. proceeded in contracting a common debenture loan of 9 millions Euros, aiming at the renewal of existing short-term loans with more favourable for the Company terms. The loan has five-year duration and the publication became in collaboration with ALPHA BANK.

18. On 21/7/2008 LOULIS MILLS S.A. proceeded in contracting a common debenture loan of 2 millions Euros, aiming at the renewal of existing short-term loans with more favourable for the Company terms. The loan has three-year duration and the publication became in collaboration with ATTIKIS BANK.

Sourpi Magnesia, August 28th 2008

Chairman of the Board  
Konstantinos LoulisVice President & CEO  
Nikolaos FotopoulosChief Accountant  
Ioannis LouloudakisChief Financial Officer  
Panagiotis Pappaspirou