



# 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 DECEMBER 31st 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.

In such case, readers may refer to the Company's website, [www.loulisgroup.com](http://www.loulisgroup.com), where such information is posted.

(Amounts in €)

BALANCE SHEET				INCOME STATEMENT									
GROUP		COMPANY		GROUP 1/1-31/12/2008			COMPANY 1/1-31/12/2008			COMPANY			
	31/12/2008	31/12/2007	31/12/2008	Continued Operations	Discontinued Operations	Total	Continued Operations	Discontinued Operations	Total	1/1-31/12/2008	31/12/2007		
<b>ASSETS</b>													
Tangible Fixed Assets	110.683.652	167.478.966	101.120.120	120.006.998	83.974.594	203.981.592	95.691.439	101.059.131	196.750.570	102.905.305	84.689.575		
Investment Property	0	3.148.900	0	(91.454.842)	(68.751.135)	(160.205.977)	(72.888.177)	(80.470.322)	(153.358.499)	(77.405.219)	(63.347.337)		
Goodwill	0	26.550.998	0	28.552.156	15.223.459	43.775.615	22.803.262	20.688.809	43.392.071	25.500.086	21.342.238		
Other Intangible Assets	25.255	38.592	24.953	4.934.739	1.368.608	6.303.347	3.676.525	3.505.531	7.182.056	3.066.825	3.565.545		
Investment in Subsidiaries	0	0	10.613.896	(13.266.857)	(8.721.532)	(21.988.389)	(12.182.960)	(10.397.007)	(22.579.967)	(13.053.531)	(11.971.040)		
Investment in Shares for trading	0	2.217	0	(9.852.711)	(2.943.759)	(12.796.470)	(5.469.986)	(3.548.589)	(9.018.575)	(3.512.157)	(3.288.230)		
Other Long-term Receivables	3.047.403	156.624	982.741	(5.264.090)	(587.464)	(5.851.554)	(1.398.857)	(2.282.846)	(3.681.703)	(3.089.235)	(1.397.630)		
	113.756.310	197.376.297	112.741.710	Profit on Revaluation of Investment Property	0	0	0	329.010	329.010	0	0		
				Profit/(Loss) on Revaluation of Shares	(28.973)	0	(28.973)	0	0	0	0		
				Profit on Sales of Shares	2.351.622	0	2.351.622	10.484.270	0	10.484.270	0		
				Profit from affiliates	0	638.031	638.031	0	0	0	0		
				Income from Participating Interests	0	0	0	0	0	1.000.000	1.000.000		
				Impairment of Goodwill	(19.030.158)	0	(19.030.158)	0	0	0	0		
				Financial Income/(Expenses)	(5.397.044)	(2.955.546)	(8.352.590)	(6.509.828)	(2.954.137)	(9.463.965)	(4.859.981)		
				Profit/(Loss) before Income Tax	(17.001.316)	2.021.797	(14.979.519)	11.402.425	5.240.771	16.643.197	5.052.007		
				Income Tax	870.272	(418.168)	452.104	(878.407)	(627.419)	(1.505.826)	872.089		
				Profit/(Loss) after Income Tax	(16.131.044)	1.603.629	(14.527.415)	10.524.019	4.613.352	15.137.371	5.924.096		
				Attributable to:									
				Equity Shareholders	(15.255.350)	(623.112)	(15.878.462)	10.216.141	2.406.064	12.622.205	5.924.096		
				Equity Minority Interest	(875.694)	2.226.741	1.351.047	307.877	2.207.289	2.515.166	0		
				Earnings After Taxes per share (in €)	(0,3212)	(0,0376)	(0,9588)	0,6146	0,1447	0,7593	0,3577		
				Depreciation	3.543.482	2.985.644	6.529.126	3.373.066	4.309.836	7.682.902	3.010.262		
				E.B.I.T.	5.103.237	4.977.343	10.080.580	7.756.993	7.865.899	15.622.892	8.911.988		
				E.B.I.T.D.A.	8.646.719	7.962.987	16.609.706	11.130.059	12.175.735	23.305.794	11.922.250		
				<b>CASH FLOW STATEMENT</b>									
				GROUP		COMPANY							
				1/1-31/12/2008	1/1-31/12/2007	1/1-31/12/2008	1/1-31/12/2007						
				<b>Operating Activities</b>									
				Profit before Income Tax (Continued Operations)		(17.001.316)		11.402.425		5.052.007			
				Profit before Income Tax (Discontinued Operations)		2.021.797		5.240.772		0			
				Plus/minus Adjustments for:									
				Depreciation		3.543.482		3.627.660		3.010.262			
				Impairment of Tangible & Intangible Fixed Assets		19.030.158		0		0			
				Provisions for Non-cash Expenses		(746.847)		(1.041.222)		3.163.374			
				Results (revenue, expenses, profits & losses) from investing activity		-2.351.622		-10.116.534		-1.000.000			
				Interest Expenses/(Income)		5.374.941		7.468.169		4.859.981			
				Plus/minus adjustments related with working capital accounts or operating activities:									
				Decrease/(Increase) in Inventory		12.251.186		(14.592.730)		9.544.196			
				Decrease/(Increase) in Receivables		(7.100.553)		(7.052.155)		(3.153.498)			
				(Decrease)/Increase in Liabilities (except from bank loans)		(4.237.038)		5.791.853		(9.088.695)			
				Minus:									
				Interest Expenses and Related Expenses Paid		(5.223.276)		(6.278.057)		(4.382.899)			
				Income Taxes Paid		(198.873)		306.490		(160.694)			
				Cash Flow from operating activities from discontinued operations		7.411.173		(9.729.727)		0			
				Total Inflows/(Outflows) from Operating Activities (a)		12.773.212		(14.973.056)		7.844.034			
				<b>Investing Activities</b>									
				Disposal/ Return of Capital of Subsidiaries, affiliates, joint ventures and other investments		24.171.630		48.160.285		11.514.745			
				Acquisition of Subsidiaries, affiliates, joint ventures and other investments		(278.000)		(4.696.160)		(278.000)			
				Inflows/(Outflows) from sale of Investment Tools		0		3.595.693		0			
				Purchase of Tangible and Intangible Assets		(1.828.413)		(860.595)		(1.759.711)			
				Inflows from Disposal of Tangible and Intangible Assets		203.650		1.572.282		203.650			
				Interest Received		464.357		306.213		138.940			
				Dividends Received		0		0		1.000.000			
				Cash Flow from Investing Activities from discontinued operations		(1.977.513)		(127.353)		0			
				Total Inflows/(Outflows) from Investment Activities (b)		20.755.711		47.950.265		10.819.624			
				<b>Financing Activities</b>									
				Inflows/(Outflows) from Share Capital Increase/Decrease		0		(2.211.253)		0			
				Disposals/Acquisitions of Own Shares		(948.881)		0		(948.881)			
				Inflows from issued/received Loans		10.721.213		21.264.996		9.400.000			
				Outflows from Loan Payments		(15.601.528)		(54.032.580)		(17.947.328)			
				Dividends Paid		(973.971)		(9.797)		0			
				Cash Flow from Financing Activities from discontinued operations		(6.175.000)		5.770.904		0			
				Total Inflows/(Outflows) from Financing Activities (c)		(12.978.167)		(29.217.730)		(9.496.209)			
				Net Increase/(Decrease) in Cash and Cash Equivalents for the Period (a)+(b)+(c)		20.550.756		3.759.479		9.167.449			
				Beginning Cash and Cash Equivalents		5.851.211		2.091.732		2.608.986			
				Ending Cash and Cash Equivalents		26.401.967		5.851.211		11.776.435			

### STATEMENT OF NET WORTH

	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	30/6/2007
Beginning Net Worth as of 01/01/2008 & 01/01/2007	133.629.511	94.161.136	71.358.164	68.627.691
Income Transfer directly to Equity Accounts	(27.315.612)	27.519.171	6.561.738	0
Profit/(Loss) of the period after tax (continued & Distributed Dividends)	(14.527.415)	15.137.371	5.924.096	2.730.473
Disposals/(Purchase) of Own Shares	(948.881)	0	(948.881)	0
Translation Reserve	355.649	(3.188.167)	0	0
Ending Net Worth as of 31/12/2008 & 31/12/2007	90.219.281	133.629.511	82.895.117	71.358.164

### ADDITIONAL ELEMENTS AND INFORMATION

1. The companies which have been consolidated in the above Yearly Financial Statements are presented in the following table with the corresponding participation percentages:

COMPANY NAME	DOMICILE - COUNTRY	PARTICIPATION	RELATIONSHIP WITH THE PARENT COMPANY	CONSOLIDATION METHOD	UNAUDITED
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	1
LOULIS MEL-BULGARIA S.A.	Sofia-Bulgaria	100,00%	Indirect	Full	5

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

3. 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 € 26,5 million.

4. 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.

5. The total number of employees as at 31/12/2008 for the Group is 314 and for the Company 262, contrary to 1.394 for the Group and 297 for the Company as at 31/12/2007.

6. 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	12.285	250.260
b) Purchases of products and services	185.998	1.559.367
c) Receivables	0	55.629
d) Liabilities	0	1.500
e) Transactions and salaries of managing officers and members of managing boards	695.997	497.005
f) Receivables from managing officers and members of managing boards	6.265	6.265
g) Liabilities to managing officers and members of managing boards	-	-

7. Regarding note 1, and more specifically for the subsidiary ATLAS S.A. with participation share 41,45%, the consolidation method followed is full due to the fact that LOULIS MILLS S.A. controls this company.

8. Investments in Tangible Fixed Assets for the year 2008 are for the Group € 1.829 K and for the company € 1.760 K.

9. On 3/1/2008, the sale of 1,3% of the share capital of the company LOULIS INTERNATIONAL FOODS ENTERPRISES Ltd at the total amount of EUR 278 K was concluded. After this transfer LOULIS MILLS S.A. controls 100% of LIFE Ltd which controls 29,5% of TITAN S.A. until 5/12/2008 (see note 18 below).

10. On 16/01/2008 LOULIS MEL BULGARIA S.A. (based in Sofia) bought, through the Bulgarian Stock Exchange, 13.610 stocks of its affiliate company SOFIA MEL S.A. (based in Sofia) and its percentage in the share capital of the latter increased from 33,31% to 35,33% until 8/12/2008 (see note 19 below).

11. Since 7/2/2008 a tax audit is in progress for LOULIS MILLS S.A. for the fiscal years from 1/7/2002 until 31/12/2005 (3 fiscal years). The company has formed a provision for contingent tax control differences.

12. On 03/03/2008 LOULIS MILLS S.A. issued a bond loan of EUR 5 MIO, aiming at the renewal of existing short-term loans with more favorable for the Company terms. The loan has three-year duration and it was issued in collaboration with BANK OF CYPRUS PUBLIC COMPANY LIMITED.

13. On 27/03/2008 LOULIS MILLS S.A. issued a bond loan of EUR 2 MIO, aiming at the renewal of existing short-term loans with more favorable for the Company terms. The loan has five-year duration and it was issued in collaboration with EFG EUROBANK ERGASIAS.

14. On 19/5/2008 LOULIS MILLS S.A. issued a bond loan of EUR 4 MIO, aiming at the renewal of existing short-term loans with more favorable for the Company terms. The loan has three-year duration and it was issued in collaboration with ASPIS BANK.

15. On 3/6/2008 LOULIS MILLS S.A. issued a bond loan of EUR 9 MIO, aiming at the renewal of existing short-term loans with more favorable for the Company terms. The loan has five-year duration and it was issued in collaboration with ALPHA BANK.

16. On 21/7/2008 LOULIS MILLS S.A. issued a bond loan of EUR 2 MIO, aiming at the renewal of existing short-term loans with more favorable for the Company terms. The loan has three-year duration and it was issued in collaboration with BANK OF ATTICA.

17. According to the decisions of The Extraordinary General Assembly of 18/9/2008, the Company acquired, during the period from 18/9/2008 to 31/12/2008, 381.789 own shares of total amount EUR 948.881 which reduced company's and group equity.

18. From 30/9/2008 LOULIS MILLS S.A. does not control its subsidiary in Romania, SC TITAN S.A., due to a change in the supervisory board according to the decisions of the Extraordinary General Assembly. On 5/12/2008 LOULIS INTERNATIONAL FOODS ENTERPRISES Ltd, subsidiary of LOULIS MILLS S.A., transferred to LLI EUROMILLS GmbH the holding stocks (29,52%) of the capital of the company SC TITAN S.A. for € 16,7 MIO and as of that date the Group has no activity in Romania. So, the Consolidated Financial Statements of 31/12/2008 don't include the company SC TITAN S.A. in the data of the balance sheet whilst in the Profit and Loss Statement the result of 9 months -that the above mentioned company was fully consolidated- is included.

19. Since 20/10/2008 LOULIS MILLS S.A. does not control its subsidiary in Bulgaria, SOFIA MEL S.A., due to a change in the supervisory board according to the decisions of the Extraordinary General Assembly. On 8/12/2008 LOULIS MEL BULGARIA EAD, sub-subsidiary of LOULIS MILLS S.A., transferred to LLI EUROMILLS GmbH the holding stocks (35,33%) of the capital of the company SOFIA MEL S.A. for € 8,8 MIO and as of that date the Group has no activity in Bulgaria. So, the Consolidated Financial Statements as of 31/12/2008 don't include the company SC TITAN S.A. in the balance sheet data whilst in the Profit and Loss Statement the result of 9 months -that the above mentioned company was fully consolidated- is included.

20. The Extraordinary General Assembly of its shareholders on the 2nd of January 2009, decided the increase of share capital of the company by the amount of EUR 8.311.416 (eight million three hundred eleven thousand four hundred sixteen euro) through the capitalization of reserve funds from the Share Premium. The above increase of share capital was accomplished through the increase of the par value of the share by 0,50 euro each, therefore increasing it from 0,64 euro to 1,14 euro. This was followed by a decrease of the same amount of the share capital of the company, by EUR 8.311.416 euro (eight million three hundred eleven thousand four hundred sixteen euro), which was accomplished through the decrease of the par value of the share by 0,50 euro each, therefore decreasing it from 1,14 euro to 0,64 euro and even distribution of cash to its shareholders at the amount of EUR 8.311.416 (eight million three hundred eleven thousand four hundred sixteen euro), i.e. 0,50 euro per share. The 12th of February of 2009 is set as the starting date of payment of the return of capital and it will be conducted through PIRAEUS BANK.

21. The company will not issue dividend because its retained profits stem from revaluation of assets during the first adoption of the I.F.R.S.

22. Due to the fact that the company has adopted the fair value method in monitoring the tangible fixed assets and also due to market conditions, the company proceeded to the revaluation of its fixed assets (buildings and land) and the resulted goodwill amounts to € 6,5 MIO.

Sourpi Magnesia, March 28th 2009

Chairman of the Board  
Konstantinos Loulis

Vice President & CEO  
Nikolaos Fotopoulos

Chief Accountant  
Ioannis Louloudakis

Chief Financial Officer  
Panagiotis Papispirou