

Valuation & Research Specialists (VRS)
Equity Research Team
info@valueinvest.gr

Share Price (15/02/2013) € 2.73

of Shares (,000) 15,222
Market Cap (in € mn) 41.56
A.D. Volume (p) 2,601
Beta Co-efficient 0.07

Statistical Data

Max 52 week 2.73 €
Min 52 week 1.17 €
1-M Rtn 5.41%
6-M Rtn 106.82%
12-M Rtn 100.74%

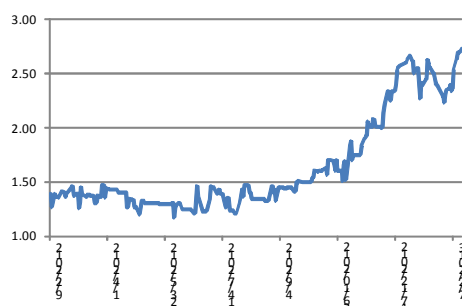
Shareholders' Structure

(Source: The Company, as of 2012)

Loulis Nikolaos 45.00%
Manou Olga 12.00%
Louli Evaggelia 10.00%
LLI Euromills GmbH 5.00%
Raiffeisen Bank Intern. 2.00%
Other Shareholders 26.00%

Source: The Company, Reuters, VRS.

Stock Price Performance (1 year, in €)



Loulis Mills S.A. [Bloomberg Ticker: KYLO:GA, Reuters Ticker: LOUr.AT]

Business Sector: Food

History - Business Profile – Growth Drivers

- Loulis Mills SA (the Company or the Group) is a leading flour producer in Greece. The Group as of end September 2012 employed 217 persons. The Company's history begins in 1782 when Zois Loulis built a small stone mill in the area Aetorrachi, Ioannina. In 1927, the mill was converted into a Limited Company and in 1951 the Company went public on the Athens Stock Exchange with the name Kyliindromylos Mills S.A. that changed in 2001 to Loulis Mills S.A..
- The Company owns two industrial units. The first one is located in the region of Sourpi, Magnesia. It includes 7 production lines and possesses a milling capability of 1,000 ton per 24 hours. The second one is located in the St. George Bay in Keratsini and includes a modern mill with a capacity of 300 tons per 24 hours. The Company's personnel are highly trained and consist of millers, food technologists and bakers.
- Loulis Group owns a distribution network that includes 3 distribution centers: in Iera Odos, Athens, in Kalochori, Thessalonica, and in Podochori, Kavala. It also owns a fleet of trucks enabling the Company to meet the variable needs of its customers. Its distribution centers have all the necessary certificates of operation HACCP and ISO.
- According to the management, the Company produces its flour from high quality wheat varieties, so that it has the necessary nutritional characteristics. Loulis has also dealt with biological products. On production level, the Company possesses the following quality certifications: IFS, BRC and ISO 22000:2005.

Corporate Strategy

- Loulis Group targets the constant development of its operations through upgrading of factories and investing in modern technology in order to remain competitive and maintain its leading position in the Greek flour industry.
- Since 1990, the Company has established an R & D department, which consists of food technologists that deal with the development of new types of flour. During the past 35 years, the Company has created 120 different end products.

Financial Highlights 9M 2012 (Consolidated)

- During the 9-month period of 2012, sales and gross profit accounted for € 66.2 million (from € 71.1 million in 9M 2011) and € 14.7 million (from € 17.6 million in 9M 2011) respectively, with net profit dropping to € 1.9 million versus € 4.61 million in 9M 2011.
- As of end September 2012, the Group's equity accounted for € 89.1 million with its outstanding long-term and short-term bank debt at € 34.8 million. Cash and cash equivalents amounted to € 4 million. Net cash flows from operating activities stood at € 9.3 million in 9M 2012 versus € 7.29 million in 9M 2011.

Important Note:

Valuation & Research Specialists (VRS) have based the aggregate information contained in this report on Loulis Mills S.A. corporate and IR website www.loulisgroup.com. VRS have also contacted the Management for factual verifications. VRS have compiled this report solely for information purposes. Valuation & Research Specialists (VRS) do not intend to express any views or judgments about the covered company, Loulis Mills S.A., via this report. Valuation & Research Specialists (VRS) are the sole creators and distributors of this report.

BASIC FINANCIAL INDICATORS

(in € mn)	Sales	EBITDA	EBT	EATAM	P/E (x)	P/BV (x)	EV/EBITDA (x)	DEBT/EQUITY (x)	ROE %
2009	88.1	9.3	4.8	4.6	9.0	0.5	8.3	0.5	6%
2010	77.6	10.7	6.2	4.2	9.8	0.5	6.8	0.5	5%
2011	95.8	11.0	5.3	5.2	8.0	0.5	7.0	0.4	6%

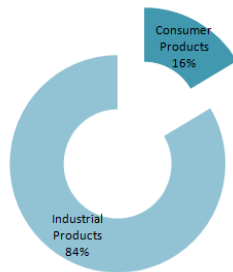
Notes: (1) EATAM and equity are calculated excluding minorities. (2) P/E, P/BV and EV/EBITDA are based on current share price. Source: Official Consolidated Financial Statements (based on IFRS), VRS Calculations.

Group's Subsidiaries

SUBSIDIARY (PARENT'S % STAKE)	COUNTRY
Louis Mills S.A. (Parent Company)	Greece
Louis International Foods Enterprises Ltd (100%)	Cyprus
Louis International Foods Enterprises Bulgaria Ltd (100%)	Cyprus
Louis Mel Bulgaria E.A.D.	Bulgaria

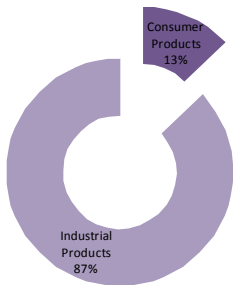
Source: The Company.

Turnover Breakdown Sector Basis, 9-Month 2012



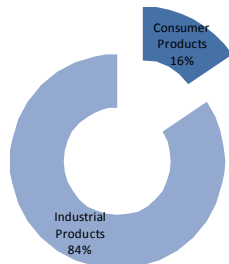
Source: The Company.

Turnover Breakdown Sector Basis, 9-Month 2011



Source: The Company.

Turnover Breakdown Sector Basis, Year 2011



Source: The Company.

Louis Mills S.A. [Bloomberg Ticker: KYLO:GA, Reuters Ticker: LOUr.AT]

Business Sector: Food

Year 2011 Financial Highlights (Consolidated)

- At the end of December 2011, the Group's equity (excl. minorities) and the bank debt (long-term and short-term) accounted for € 87.11 million and € 38.46 million respectively. Cash and cash equivalents had settled at € 2.8 million.
- Based on the consolidated cash flow statement, net cash flows from operating activities stood at € 5.87 million and investments in tangible and intangible assets increased to € 7.11 million in 2011 from € 5.71 million in year 2010.

Latest Corporate Developments

- On November 7, 2012, the Company inaugurated its new mill in Keratsini, Athens. The investment was completely self-financed and amounted to € 10 million. With this investment, Louis targets to strengthen its position in the Greek market by creating a mill in the center of the Greek capital in order to generate synergies via its proximity with Piraeus Port.
- On November 4, 2012, the Company announced the introduction of 2 new products in the Greek market: "flour for wood-fired oven bakery" and "flour for wood-fired oven rustic".

Important Note:

Valuation & Research Specialists (VRS) have based the aggregate information contained in this report on Louis Mills S.A. corporate and IR website www.louisgroup.com. VRS have also contacted the Management for factual verifications. VRS have compiled this report solely for information purposes. Valuation & Research Specialists (VRS) do not intend to express any views or judgments about the covered company, Louis Mills S.A., via this report. Valuation & Research Specialists (VRS) are the sole creators and distributors of this report.

Working Capital Ratios

in EUR million		2009	2010	2011
Sales	€ mn	88.05	77.58	95.83
Cost of Sales	€ mn	58.42	48.54	68.67
Net Income / Profit	€ mn	4.63	4.23	5.17
Cash & Cash Equivalents	€ mn	6.74	7.41	2.80

Stock Days

	Days	62	64	71
Stock Inventory	€ mn	9.92	8.46	13.31

Debtors Days

	Days	115	126	120
Debtors - Receivables	€ mn	27.76	26.78	31.62

Creditors Days

	Days	63	76	85
Creditors - Suppliers	€ mn	10.10	10.11	16.04

Operating Cycle (Days)

	Days	177	190	191
Cash Cycle (Days)	Days	114	114	106

Source: Official Consolidated Financial Statements, VRS Calculations.

VALUATION & RESEARCH SPECIALISTS (VRS)

Value Invest - www.valueinvest.gr Investment Research & Analysis Journal – www.iraj.gr

DISCLOSURE STATEMENT (1)

VALUATION & RESEARCH SPECIALISTS (VRS) is an independent firm providing advanced equity research, quality valuations and value-related advisory services to local and international business entities and / or communities. VRS services include valuations of intangible assets, business enterprises, and fixed assets. VRS's focus business is in providing independent equity research to its institutional and retail clients / subscribers.

VRS is not a brokerage firm and does not trade in securities of any kind. VRS is not an investment bank and does not act as an underwriter for any type of securities.

VRS accepts fees from the companies it covers and researches (the "covered companies"), and from major financial institutions. The sole purpose of this policy is to defray the cost of researching small and medium capitalization stocks which otherwise receive little research coverage. In this manner VRS can minimize fees to its clients / subscribers and thus broaden investor's attention to the "covered companies."

VRS analysts are compensated on a per-company basis and not on the basis of their recommendations. Analysts are not allowed to solicit prospective "covered companies" for research coverage by VRS and are not allowed to accept any fees or other consideration from the companies they cover for VRS. Analysts are also not allowed to trade in the shares, warrants, convertible securities, or options of companies they cover for VRS.

Furthermore, VRS, its officers, and directors cannot trade in shares, warrants, convertible securities or options of any of the "covered companies." VRS accepts payment for research only in cash and will not accept payment in shares, warrants, convertible securities or options of "covered companies" by no means.

To ensure complete independence and editorial control over its research, VRS follows certain business practices and compliance procedures, which are also applied internationally. Among other things, fees from "covered companies" are due and payable prior to the commencement of research and, as a contractual right, VRS retains complete editorial control over the research process and the final equity analysis report.

Information contained herein is based on data obtained from recognized statistical services, issue reports or communications, or other sources, believed to be reliable. However, such information has not been verified by VRS, and VRS does not make any representation as to its accuracy and completeness. Opinions, estimates, and statements nonfactual in nature expressed in its research represent VRS's judgment as of the date of its reports, are subject to change without notice and are provided in good faith and without legal responsibility. In addition, there may be instances when fundamental, technical and quantitative opinions, estimates, and statements may not be in concert. Neither the information nor any opinion expressed shall constitute an offer to sell or a solicitation of an offer to buy any shares, warrants, convertible securities or options of "covered companies" by no means.

DISCLOSURE CHECKLIST

Covered Company	Bloomberg	Reuters	Stock Price	Date	Disclosure
LOULIS MILLS S.A.	KYLO:GA	LOUr.AT	€ 2.73	February 15, 2013	2, 3

1. VRS has acted as financial consultant for the covered company within the past 24 months.
2. VRS has sent the research report to the covered company, prior to publication or dissemination, for factual verification.
3. VRS has changed the contents of the initially sent report, with respect to: factual changes have been made.
4. VRS has received compensation from the covered company for the preparation of this research report.
5. VRS produces research reports for this company on systematic basis.
6. VRS produces research reports for this company on demand basis.
7. VRS has produced a research report for this company within the past 12 months.

Please contact **VALUATION & RESEARCH SPECIALISTS** for further information on Equity Research Related Fees.

VALUATION & RESEARCH SPECIALISTS (VRS)

Value Invest - www.valueinvest.gr Investment Research & Analysis Journal – www.iraj.gr

DISCLOSURE STATEMENT (2)

The current research report as well as other statements that VRS may proceed with may include future statements, regarding the future financial performance of a company or another entity or product, as well as strategies and expectations. Statements about the future may typically include expressions such as “trend”, “prospect”, “opportunity”, “course”, “believe”, “possibly”, “expect”, “current”, “intention”, “estimate”, “forecast”, continuation, “remain”, “maintain”, “target” and other similar expressions or future or hypothetical verbs such as “will”, “must”, “could”, “may be” and other expressions.

VALUATION & RESEARCH SPECIALISTS (VRS) caution that forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time. Forward-looking statements speak only as of the date they are made, and VRS assumes no duty to and does not undertake to update forward-looking statements. Actual results could differ materially from those anticipated in forward-looking statements and future results could differ materially from historical performance.

In addition to factors previously disclosed in VRS reports and those identified elsewhere in this communication, the following factors, among others, could cause actual results to differ materially from forward-looking statements or historical performance: (1) the introduction, withdrawal, success and timing of business initiatives and strategies; (2) changes in political, economic or industry conditions, the interest rate environment or financial and capital markets, which could result in changes in demand for products or services or in the value of assets under management; (3) the impact of increased competition; (4) the impact of capital improvement projects; (5) the impact of future acquisitions or divestitures; (6) the unfavorable resolution of legal proceedings; (7) the extent and timing of any share repurchases; (8) the impact, extent and timing of technological changes and the adequacy of intellectual property protection; (9) the impact of legislative and regulatory actions and reforms and regulatory, supervisory or enforcement actions of government agencies; (10) terrorist activities and international hostilities, which may adversely affect the general economy, domestic and local financial and capital markets, as well as specific industries; (11) the ability to attract and retain highly talented professionals; (12) fluctuations in foreign currency exchange rates; (13) the impact of changes to tax legislation and, generally, the tax position of the covered company.

COMPLIANCE WITH EU DIRECTIVES and GREEK LAWS

VRS prepares its equity research reports in a best effort to comply with the provisions of the EU Directive 2003/6/EK of the European Commission (L 339/73/24.12.2003, L 096/16/2003), the Guidelines 2003/125/EK and the Decision 4/347/12.7.2005 of the Hellenic Capital Markets Committee, as well as with the provisions of article 14, Greek Law 3340/2005, and the relevant clarifications with regard to the legal obligations of equity analysts. VRS analysts are certified by the Hellenic Capital Markets Committee. The latter may request from VRS analysts to justify their views and conclusions with regard to this research report.

ANALYST CERTIFICATION

The views expressed in this report accurately reflect the personal views of the undersigned analyst(s) about the subject issuer and the securities of the issuer. In addition, the undersigned lead analyst(s) has not and will not receive any compensation for providing a specific recommendation or view in this research report.

VRS Equity Research Contributors

Nicholas Georgiadis, ngeorgiadis@valueinvest.gr
Christophoros Makrias, cmakrias@valueinvest.gr
Georgios A. Savvakis, gsavvakis@valueinvest.gr
Maria Papadopoulou, mpapadopoulou@valueinvest.gr
Constantina Bourelia, cbourelia@valueinvest.gr
Michail Rizos, mrizos@valueinvest.gr

Investment Research & Analysis Journal

Dr. Efstratios Livanis
Assistant Editor

Please contact **VALUATION & RESEARCH SPECIALISTS** for further information on Equity Research Related Fees.