

SARANTIS GROUP

Financial Results 1st Half 2005

- Consolidated financial results in 1st half 2005 were in line with Management's forecasts.
- Foreign markets posted higher growth rates as compared to the domestic market, raising their contribution in total consolidated turnover.
- Sarantis Group utilizes its portfolio of own brands and products, with major growth drivers the sectors of mass-market cosmetics, as well as household products.

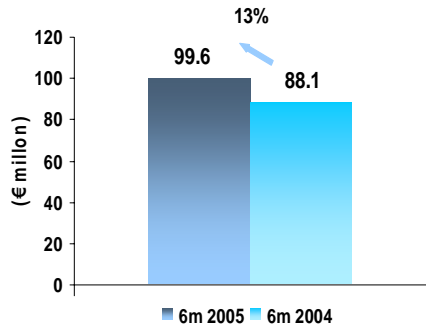
Financial Highlights (€ '000,000)	6m 2005			6m 2004		
	Sarantis (equity method, IFRS)	Estee Lauder JV (US GAAP)	Pro Forma Consolidated (non audited, IFRS)	Sarantis (equity method, IFRS)	Estee Lauder JV (US GAAP)	Pro Forma Consolidated (non audited, IFRS)
Turnover	99.55	34.24	131.08	88.10	32.95	117.43
<i>y-o-y growth (%)</i>	<i>13.00%</i>	<i>3.90%</i>	<i>11.63%</i>			
Gross Profit	48.26	28.18	76.38	40.11	26.81	66.67
<i>y-o-y growth (%)</i>	<i>20.32%</i>	<i>5.11%</i>	<i>14.57%</i>			
<i>% of Total Turnover</i>	<i>48.48%</i>	<i>82.30%</i>	<i>58.27%</i>	<i>45.53%</i>	<i>81.35%</i>	<i>56.77%</i>
EBIDTA	15.81	8.68	18.87	14.26	8.21	17.23
<i>y-o-y growth (%)</i>	<i>10.89%</i>	<i>5.75%</i>	<i>9.49%</i>			
<i>% of Total Turnover</i>	<i>15.88%</i>	<i>25.36%</i>	<i>14.39%</i>	<i>16.18%</i>	<i>24.91%</i>	<i>14.68%</i>
EBIT	13.97	7.69	17.03	12.32	7.44	15.30
<i>y-o-y growth (%)</i>	<i>13.41%</i>	<i>3.39%</i>	<i>11.34%</i>			
<i>% of Total Turnover</i>	<i>14.04%</i>	<i>22.47%</i>	<i>12.99%</i>	<i>13.99%</i>	<i>22.58%</i>	<i>13.03%</i>
Profit Before Tax	12.73	7.66	16.67	11.25	7.46	15.06
<i>y-o-y growth (%)</i>	<i>13.10%</i>	<i>2.60%</i>	<i>10.68%</i>			
<i>% of Total Turnover</i>	<i>12.79%</i>	<i>22.37%</i>	<i>12.72%</i>	<i>12.78%</i>	<i>22.65%</i>	<i>12.83%</i>
Profit After Tax	9.94	5.78	12.93	8.75	5.64	11.62
<i>y-o-y growth (%)</i>	<i>13.57%</i>	<i>2.38%</i>	<i>11.22%</i>			
<i>% of Total Turnover</i>	<i>9.98%</i>	<i>16.88%</i>	<i>9.86%</i>	<i>9.93%</i>	<i>17.13%</i>	<i>9.90%</i>
Minority Interest	0.08	0.00	3.07	0.19	0.00	3.06
<i>y-o-y growth (%)</i>	<i>-56.49%</i>		<i>0.36%</i>			
EATAM	9.85	5.78	9.85	8.56	5.64	8.56
<i>y-o-y growth (%)</i>	<i>15.11%</i>	<i>2.38%</i>	<i>15.11%</i>			
<i>% of Total Turnover</i>	<i>9.90%</i>	<i>16.88%</i>	<i>7.52%</i>	<i>9.72%</i>	<i>17.13%</i>	<i>7.29%</i>
EPS	0.26		0.26	0.22		0.22

MAIN HIGHLIGHTS

- According to IFRS, Sarantis Group posted a turnover growth of 13%.
- As far as business activity is concerned, mass-market cosmetics and household products were the major growth drivers both in Greece and Eastern Europe. The Group aims at a greater penetration of own product portfolio in the above markets.
- During the 1st half 2005, Sarantis Group achieved a significant improvement in gross profit margin. The above improvement is considered as sustainable in the following quarters, due to a more efficient product mix targeted by Sarantis Group.

1. Financial Results of Sarantis Group according to IFRS

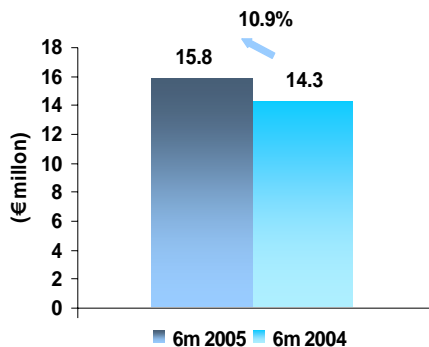
Gr. Sarantis S.A. Group Turnover



During the first half 2005, Sarantis Group demonstrated double digit turnover growth, taking advantage of a robust business performance in mass market cosmetics and household products, as well as due to the satisfactorily growing international markets.

It is noted that EBITDA growth by 10.89% did not follow closely the turnover growth, due to investment and advertising expenditures in Eastern European markets. More specifically, the higher by 22.18% promotion and marketing expenses (from EUR 28.32 million in 1st half 2004 to EUR 34.60 million in 1st half 2005) was a necessary factor for the Group's stronger penetration in the international markets.

Gr. Sarantis S.A. Group EBITDA



It is also underlined that the recent debt restructuring on Group basis – short-term debt was converted into long-term debt – should further contract the effect of interest expenses on Group's profitability on consolidated basis. The rise in long-term debt (from EUR 92.25 million in 1st half 2004 to EUR 96.21 million in 1st half 2005) was offset by a lower short term debt (from EUR 10.47 million into EUR 8.79 million), with financial expenses settling at EUR 1.24 million versus EUR 1.07 million in 1st half 2004.

On bottom line basis, Sarantis Group achieved an especially positive performance, as profit before taxes rose by 13.10% as compared to 1st half 2004, to EUR 12.73 million, whereas profit after taxes and minorities reached EUR 9.85 million, rising by 15.11% as compared to the same period last year.

The favorable developments during the first half included the higher by 7.3% trade debtors, which rose at a slower pace as compared to Group's turnover growth. Furthermore, it is important to note that the rise of inventories (from EUR 32.67 million in 1st half 2004 to EUR 38.87 million in 1st half 2005) should be mainly considered as seasonal.

1.1 Consolidated Turnover Breakdown per Business Activity

Sarantis Group consolidated according to IFRS (Estee Lauder JV consolidated according to equity method)

As it was mentioned earlier, Group's sales settled at EUR 99.55 million in 1st half 2005 (+13% as compared to 1st half 2004), whereas EBIT reached EUR 13.97 million, posting a growth rate of 13.41% as compared to the same period last year.

Consolidated Turnover Breakdown

CONSOLIDATED TURNOVER (in EUR million)	6M 2005	Change	6M 2004
Luxury Cosmetics w/o Estee Lauder JV	6.58	10.17%	5.97
Mass Market Cosmetics	34.71	24.05%	27.98
Household Products	38.00	17.30%	32.40
Health and Care Products	8.20	-1.85%	8.35
Car Accessories	6.00	13.92%	5.27
PET	3.35	-25.54%	4.50
Services to Estee Lauder J.V. *	2.71	-25.26%	3.62
Total Turnover	99.55	13.00%	88.10

* Notes: Sarantis Group offers specialized services to Estee Lauder JV.

As far as turnover breakdown per business activity is concerned, mass-market cosmetics, as well as household products posted strong growth rates, as they were mostly favored by a satisfactory performance of Group's own product portfolio in the developing markets of Eastern Europe. More specifically, mass-market cosmetics posted a growth rate of 24.05%, whereas household products expanded revenues by 17.30% as compared to the same period in previous year. Health and care products remained an interesting business activity for the Group, entering a recovery phase. This particular sector will be treated as a strategic area of business activity. Finally, it is reminded that PET products are gradually driven out of the Group's scope of activities.

It is noted that in absolute figures, the two strategic business sectors of the Company, household products and mass-market cosmetics, were the major contributors in Group's sales. The above results are in line with Management's guidance.

Consolidated EBIT Breakdown

CONSOLIDATED EBIT (in EUR million)	6M 2005	Change	6M 2004
Luxury Cosmetics w/o Estee Lauder JV	-0.23	6.35%	-0.22
Mass Market Cosmetics	5.29	50.71%	3.51
Household Products	2.80	4.52%	2.68
Health and Care Products	1.26	8.27%	1.17
Car Accessories	0.28	-48.01%	0.55
PET	-0.10	-	-0.01
Services to Estee Lauder J.V.	0.02	-84.51%	0.14
Income from Affiliated Companies after Taxes (Estee Lauder JV, K.P. Marinopoulos) *	4.64	2.85%	4.51
TOTAL EBIT	13.97	13.40%	12.32

* Notes: This particular income is treated as operating and not as financial income, as Gr. Sarantis has a dominant position in the above affiliated companies.

Sarantis Group's business sectors posted a positive EBIT performance, with mass-market cosmetics posting the strongest growth rate (+50.71% as compared to the 1st half 2004). Household products rose by 4.52%, whereas their profit margin deteriorated due to strong marketing and promotion expenditures. Health and care products achieved strong growth of 8.27% in H1 2005 / H1 2004.

1.2 Consolidated Turnover Breakdown per Geographic Market

Sarantis Group according to IFRS (Estee Lauder JV consolidated according to equity method)

Consolidated Turnover Breakdown

CONSOLIDATED TURNOVER (in EUR million)	6M 2005	Change	6M 2004
Greece *	60.82	2.91%	59.10
Poland	16.96	36.84%	12.40
Romania *	12.78	20.39%	10.62
Bulgaria *	4.63	49.31%	3.10
Serbia	2.49	44.61%	1.72
Czech Republic	1.17	65.25%	0.71
FYROM	0.69	54.71%	0.44
Total Turnover	99.55	13.00%	88.10

* Notes: Without Estee Lauder JV.

As far as geographic markets are concerned, Greece remained for one more year a mature market, as compared to the Eastern European markets, which continued to grow revenues impressively. Eastern Europe demonstrated especially strong growth rates in the Group's own product portfolio, and particularly in the areas of mass-market cosmetics and household products (cosmetics "STR8", C-THRU, BU and "X-POSE", as well as in aluminum foil and garbage bags). Among the markets which posted strong growth rates and contributed significantly to total turnover, were Poland and Romania with growth rates of 36.8% and 20.4% in 6M 2005 respectively, as compared to 6M 2004.

Group's diversification on geographic basis was evident for one more quarter, since Greece participated with an even smaller stake (61%) in total consolidated turnover of H1 2005, versus a stake of 67% in H1 2004. The particular trend is going to strengthen in future, as the Group will be attaining greater penetration rates in the particular developing markets of Eastern Europe.

It should be also noted that by the end of 2005 Sarantis Group will add two new geographic markets in its revenue streams: Turkey and Ukraine which are considered as emerging markets.

Consolidated EBIT Breakdown

CONSOLIDATED EBIT (in EUR million)	6M 2005	Change	6M 2004
Greece *	12.38	6.45%	11.63
Poland	-0.17	-18.77%	-0.15
Romania *	1.16	34.15%	0.87
Bulgaria *	0.18	295.09%	0.05
Serbia	0.50	628.36%	0.07
Czech Republic	0.03	-	-0.16
Turkey	-0.17	-	0.00
FYROM	0.07	265.08%	0.02
Total EBIT	13,97	13,41%	12,32

* Notes: Without Estee Lauder JV.

As far as geographic EBIT breakdown is concerned, Greece remained the most important market during the first half 2005, whereas the Eastern European markets continued to contribute to a small extent due to strong promotion expenses, which are expected to gradually decrease until year-end. It is noteworthy that on a 6-month basis, Bulgaria and Serbia achieved a satisfactory EBIT growth, whereas Romania improved its profit margin.

2. Financial Results of Estee Lauder JV

Turnover of Estee Lauder JV – which operates in the intensely competitive luxury cosmetics market – increased by 3.9% in H1 2005 settling at EUR 34.24 million. In addition, the subsidiary company improved its gross profit margin from 81.35% in H1 2004 to 82.30% in H1 2005, whereas it sustained its net profit margin at the high level of 22.37%. Profit before taxes settled at EUR 7.66 million, posting a rise of 2.60% as compared to first half 2004.

Appendix: Pro Forma Consolidated Financial Results (Non Audited)

[The consolidation of Estee Lauder JV with Sarantis Group according to the equity method (a practice which has been imposed due to the adoption of IFRS), does not allow the financial reporting of consolidated results in the same way with the previous quarters. In view of the above development, the Management decided to present also the pro forma consolidated turnover and EBIT breakdowns of 6M 2005 – per business activity and geographic market – as it would be the case if the consolidation of Estee Lauder had been based on the full consolidation method. It is reminded that prior to the adoption of IFRS, Sarantis Group consolidated Estee Lauder according to the full consolidation method.]

Consolidated Turnover Breakdown per Business Activity

CONSOLIDATED TURNOVER (in EUR million)	6M 2005	Change	6M 2004
Luxury Cosmetics with Estee Lauder JV	40.82	4.87%	38.92
Mass Market Cosmetics	34.71	24.05%	27.98
Household Products	38.00	17.30%	32.40
Health and Care Products	8.20	-1.85%	8.35
Car Accessories	6.00	13.92%	5.27
PET	3.35	-25.54%	4.50
Total Turnover	131.08	11.63%	117.43

Consolidated EBIT Breakdown Per Business Activity

CONSOLIDATED EBIT (in EUR million)	6M 2005	Change	6M 2004
Luxury Cosmetics with Estee Lauder JV	7.48	1,11%	7.40
Mass Market Cosmetics	5.29	50,71%	3.51
Household Products	2.80	4,52%	2.68
Health and Care Products	1.26	8,27%	1.17
Car Accessories	0.28	-48,01%	0.55
PET	-0.10	-	-0.01
Total EBIT	17.03	11.34%	15.30

Consolidated Turnover Breakdown per Geographic Market

CONSOLIDATED TURNOVER (in EUR million)	6M 2005	Change	6M 2004
Greece	91.21	3.14%	88.43
Poland	16.96	36.84%	12.40
Romania	13.37	25.93%	10.62
Bulgaria	5.19	67.11%	3.10
Serbia	2.49	44.61%	1.72
Czech Republic	1.17	65.25%	0.71
FYROM	0.69	54.71%	0.44
Total Turnover	131.08	11.63%	117.43

Consolidated EBIT Breakdown Per Geographic Market

CONSOLIDATED EBIT (in EUR million)	6M 2005	Change	6M 2004
Greece	15.18	3.94%	14.60
Poland	-0.17	-18.77%	-0.15
Romania	1.30	49.43%	0.87
Bulgaria	0.31	564.02%	0.05
Serbia	0.50	628.09%	0.07
Czech Republic	0.03	-	-0.16
FYROM	0.07	263.07%	0.02
Turkey	-0.17	-	0.00
Total EBIT	17.03	11.34%	15.30