Monday, March 22nd 2010

SARANTIS

Consolidated Financial Results 12M 2009

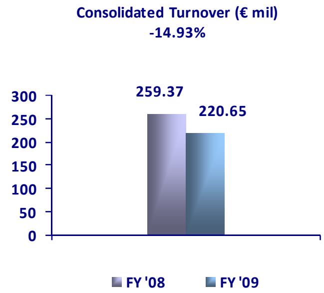
MAJOR HIGHLIGHTS: 12M 2009

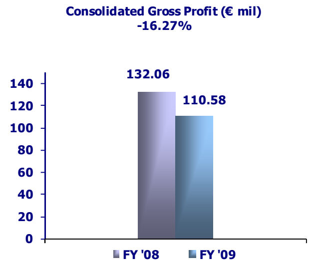
- Sarantis Group met its FY 2009 turnover target and exceeded its estimates in the profitability level.
- Sarantis Group financial results were negatively affected by the adverse economic environment across all regions and business units of the Group, although the management's timely implementation of cost control initiatives and focus on efficient working capital management helped to mitigate the negative impact.
- The downward trend eased during Q4 2009, predominantly aided by the stabilisation of the EE countries currency devaluation towards the end of 2009 and the termination of the inventory reduction in the retail market.
- Sarantis Group's turnover decreased by 14.93% to €220.65 mil. from €259.37 mil. in 2008., in line with the Group's guidance.
- Gross profit margin stood at 50.12% in 2009 from 50.92% last year.
- Earnings before interest and taxes reached €23.44 mil. in 2009, reduced by 30.60%.
- EATAM amounted to €16.88 mil. from €25.39 mil. last year exceeding the Group's estimates. Including the one-off tax EATAM settled at €16.39mil.
- The Group's own brands' turnover declined, increasing nevertheless their participation to total Group turnover.
- Solid cash flow generation and low leverage add to the Group's robust financial position.

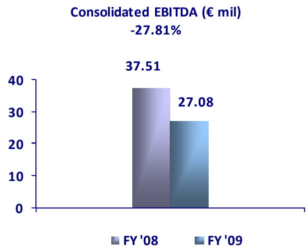
P&L (€ mil.)	FY '09	%	FY '08	GUIDANCE '09	% vs FY '09
Turnover	**220.65**	-14.93%	**259.37**	**220**	0%
Gross Profit	**110.58**	-16.27%	**132.06**		
Gross Profit Margin	50.12%		50.92%		
EBITDA	**27.08**	-27.81%	**37.51**	**25.5**	6%
EBITDA Margin	12.27%		14.46%	11.59%	
EBIT	**23.44**	-30.60%	**33.78**	**22**	7%
EBIT Margin	10.63%		13.02%	10.00%	
EBT	**21.47**	-34.41%	**32.74**	**18.75**	15%
EBT Margin	9.73%		12.62%	8.52%	
Tax	**4.59**	-37.66%	**7.36**	**3.75**	
EATAM (excl.One-Off Tax)	**16.88**	-33.50%	**25.39**	**15**	13%
EATAM Margin (excl.One-Off Tax)	7.65%		9.79%	6.82%	
One-off Tax	**0.49**		**0.00**	**0**	
EATAM (incl.One-Off Tax)	**16.39**	-35.42%	**25.39**	**15**	9%
EATAM Margin (incl. One-Off Tax)	7.43%		9.79%	6.82%	
EPS	**0.43**	-35.42%	**0.66**	**0.39**	9%

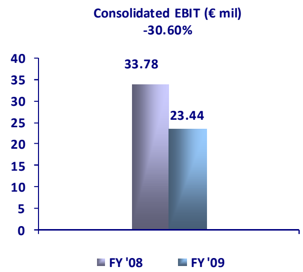
For more information please refer to **http://ir.sarantis.gr/**

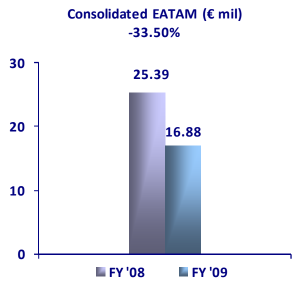
Financial results for 12M 2009 can be discussed during the **conference call** which will take place on the 23rd of March at **17.00 Athens time**. Please check our IR Site under IR Events for dial details.











12M '09 Consolidated Financial Results

Turnover

In 2009 consolidated turnover declined by 14.93% reaching €220.65 mil. from €259.37 mil. last year. The drop in the Group's consolidated turnover reflects the reduced consumer spending and the continuing adverse macroeconomic environment as well as the negative impact from currency movements, and is in accordance to management's guidance. Excluding the FX translation effect, Group sales reduced by c. 7%. Despite operating in a continuously deteriorating economic environment, the downward trend eased during Q4 2009, predominantly aided by the stabilisation towards the end of the year of the currency devaluation in the Group's foreign markets, as well as the end of the inventory reduction that was implemented in H1 2009. More specifically, Group sales reduced by 9.49% in Q4 2009 vs the last quarter of 2008, which corresponds to a 3% reduction excluding the FX translation impact.

Gross Profit

Gross profit reduced by 16.27% to €110.58 mil. in 2009 from €132.06 mil. Gross profit margin settled at 50.12% versus 50.92%, partly affected by the adverse currency movements. Nevertheless, the negative impact was in part offset by the high participation of the own brands portfolio as well as more competitive raw material prices.

EBITDA

EBITDA posted a decrease of 27.81% to €27.08 mil. in 2009 from €37.51 mil. in 2008, while the EBITDA margin stood at 12.27% from 14.46% in the respective prior-year period.

EBIT

Earnings before interest and taxes reached €23.44 mil. from €33.78 mil., reduced by 30.60% and EBIT margin was reduced from 13.02% in 2008 to 10.63% in 2009, exceeding the estimated EBIT margin of 10%.

EBT

Earnings before taxes settled at €21.47 mil. from €32.74 mil. in 2008, a reduction of 34.41% compared to last year.

EATAM

Earnings after taxes and minorities reached €16.88 mil., reduced by 33.50% compared to 2008 and the EATAM margin settled at 7.65% from 9.79%, exceeding the estimated margin of 6.82%. Including the one-off tax of €0.49 mil. EATAM settled at 16.39 mil., reduced by 35.42% compared to 2008.

Sarantis Group financial results were in line with the management's guidance in terms of turnover, while exceeded the expectations in terms of profitability. More specifically, Group EBITDA exceeded by 6% the estimate of €25.5 mil., while the EBIT stood 7% higher than the projections. The earnings before tax were by 15% above the guidance of €18.75 mil., while EATAM stood 13% improved compared to the estimate of €15 mil. Including the one-off tax, EATAM exceeded management's guidance by 9%.

12M '09 Consolidated Balance Sheet / Cash Flow

Major Highlights

Despite the challenging macroeconomic environment Sarantis Group has successfully continued to generate solid cashflows, a fact attributed largely to management's focus behind the efficient working capital management and cost saving initiatives. More specifically, the Group's operating working capital settled at €64.10 mil. in 2009, improved compared to €71.17 mil. during 2008 and €76.50 mil. in 9M 2009. Operating working capital requirements over sales settled at 29.05% in 2009 vs 33.68% in 9M 2009 and 27.44% in 2008.

At the same time the Group benefits from a healthy capital structure and low leverage. In 2009, total Group's bank debt reached €56.98 mil. from €64.92 mil. in 2008, reduced by 12.24%. The Group's net debt further reduced to €9.2 mil. from €24.68 mil. in 9M 2009 and €29.31 mil. in 2008.

BALANCE SHEET (€ mil.)	FY '09	%	FY '08
ASSETS			
Property Plant & Equipment	41.19	-5.82%	43.73
Intangible Assets	6.12	240.64%	1.80
Goodwill	5.95	-2.15%	6.08
Investments	18.37	-5.74%	19.49
Other Long Term Assets	0.41	-72.82%	1.51
Deffered Tax	1.80	-18.87%	2.22
Total Non Current Assets	**73.85**	**-1.32%**	**74.84**
Inventories	34.68	-22.85%	44.95
Trade Receivables	70.90	-3.29%	73.31
Other Receivables	5.68	-6.12%	6.05
Marketable Securities	6.83	14.40%	5.97
Cash & Banks	30.76	32.81%	23.16
Other Short Term Receivables	0.79	6.53%	0.74
Total Current Assets	**149.65**	**-2.95%**	**154.20**
Total Assets	**223.50**	**-2.42%**	**229.04**
SHAREHOLDER'S EQUITY & LIABILITIES			
L-T Bank Loans	50.25	175.34%	18.25
Deferred Tax Liabilities	0.01	-77.95%	0.05
Retirement Benefit Obligations & Other Provisions	3.35	-29.82%	4.77
Total Non Current Liabilities	**53.61**	**132.41%**	**23.07**
Trade Creditors & Other Liabilities	41.49	-11.91%	47.10
Income Taxes and other Taxes Payable	2.41	-41.79%	4.14
S-T Bank Loans	6.73	-85.58%	46.67
Other Short Term Liabilities	3.69	12.08%	3.29
Total Current Liabilities	**54.31**	**-46.33%**	**101.19**
Share Capital	59.06	0.00%	59.06
Share Premium	39.25	0.00%	39.25
Other Reserves	-15.93	30.11%	-12.24
Minority Interest	0.01	235.26%	0.00
Retained Earnings	33.19	77.45%	18.71
Shareholders Equity	**115.59**	**10.31%**	**104.78**
Total Liabilities & Equity	**223.50**	**-2.42%**	**229.04**

CASHFLOW (€ mil.)	FY '09	FY '08
Operating Activities	**22.61**	**17.68**
Investment Activities	**0.79**	**-1.88**
Financial Activities	**-12.69**	**-29.29**
Cash generated	**10.72**	**-13.49**
Cash & Cash equivalents, beginning	**23.16**	**43.17**
Effect of foreign exchange differences on Cash	**-3.12**	**-6.52**
Cash & Cash equivalents, end	**30.76**	**23.16**

1 CONSOLIDATED SBU ANALYSIS

1.1. 12M ’09 Turnover Breakdown

12M '09 Consolidated Turnover Breakdown per Business Activity			
SBU Turnover (€ mil)	**12M '09**	**%**	**12M '08**
Cosmetics	**94.39**	**-16.79%**	**113.44**
% of Total	**42.78%**		**43.74%**
Own	63.77	-20.63%	80.35
% of SBU	67.56%		70.83%
Distributed	30.62	-7.47%	33.09
% of SBU	32.44%		29.17%
Household Products	**96.32**	**-13.08%**	**110.81**
% of Total	**43.65%**		**42.72%**
Own	95.63	-9.82%	106.04
% of SBU	99.28%		95.70%
Distributed	0.69	-85.50%	4.77
% of SBU	0.72%		4.30%
Other Sales	**29.94**	**-14.73%**	**35.11**
% of Total	**13.57%**		**13.54%**
Health Care Products	11.36	-18.49%	13.94
% of SBU	37.95%		39.70%
Selective	13.86	-6.44%	14.82
% of SBU	46.30%		42.20%
Oto Top	4.71	-25.81%	6.35
% of SBU	15.75%		18.10%
Total Turnover	**220.65**	**-14.93%**	**259.37**

The adverse conditions in the consumer sector as well as the unfavorable foreign exchange rates in the Group’s foreign markets had a negative effect on the Group with all the business categories decreasing in sales during 2009 versus the previous year. Nonetheless, it should be noted that there is an improvement during the last quarter of 2009 mainly resulting from the stabilization of the currency devaluation in the Group’s foreign markets during the last quarter of 2009.

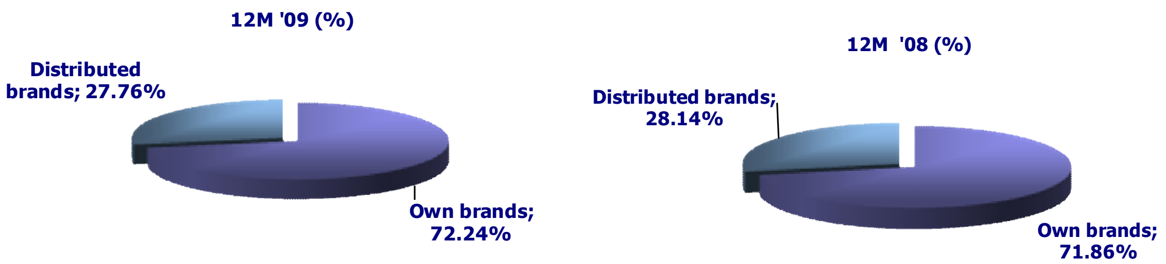
During 2009 the **Household Products** turnover declined by 13.08%, reaching €96.32 mil. from €110.81 mil. last year. **Own brands** within this SBU reduced by 9.82% while their participation to the SBU’s turnover increased to 99.28% from 95.70%. During Q4 2009 the **Household Products** sales reduced by 8.83% vs Q4 2008, improved over the 19.37% decrease of the third quarter of 2009.

During 2009 **Cosmetics** recorded a sales decline of 16.79% amounting to €94.39 mil. from €113.44 mil. in 2008. In this SBU, **own brands** demonstrate a decline of 20.63% and their contribution to total turnover also dropped to 67.56% from 70.83%. Cosmetics exhibited improved sales during Q4 2009 compared to the previous quarters of 2009, as Q4 2009 sales dropped by

13.88% vs Q4 2008, while Q3 2009 drop was equal to 18.63%.

The category of **Other Sales** also had a satisfactory performance during Q4 2009 mainly driven by the subcategory of the Selective Products, which outperformed the previous quarters presenting a 21.10% increase in Q4 2009 versus Q4 2008.

Own vs Distributed Activity Turnover Breakdown Update



During 2009, consolidated revenues from **own brands** (cosmetics and household products) amounted to €159.40 from €186.39 in 2008, reduced by 14.48%. However, the own brands participation to total group turnover increased to 72.24% in 2009 from 71.86% in 2008.

Similarly, revenues from **distributed brands** during 2009 reached €61.25 mil. from €72.98 mil. in 2008, reduced by 16.06%. Their participation to total group sales was down from 28.14% in 2008 to 27.76% in 2009.

1.2. 12M '09 EBIT SBU Breakdown

12M'09 Consolidated EBIT Breakdown per Business Activity			
SBU EBIT (€ mil)	12M '09	%	12M '08
Cosmetics	**4.08**	-71.62%	**14.39**
Margin	4.33%		12.68%
% of EBIT	17.42%		42.60%
Own	3.35	-72.12%	12.03
Margin	5.26%		14.97%
% of EBIT	14.30%		35.61%
Distributed	0.73	-69.09%	2.36
Margin	2.38%		7.14%
% of EBIT	3.11%		6.99%
Household Products	**11.11**	24.42%	**8.93**
Margin	11.54%		8.06%
% of EBIT	47.41%		26.44%
Own	11.06	25.21%	8.84
Margin	11.57%		8.33%
% of EBIT	47.19%		26.16%
Distributed	0.05	-47.69%	0.10
Margin	7.28%		2.02%
% of EBIT	0.21%		0.28%
Other Sales	**2.07**	-41.64%	**3.55**
Margin	6.93%		10.12%
% of EBIT	8.85%		10.52%
Health Care Products	**1.82**	-22.71%	**2.36**
Margin	16.04%		16.92%
% of EBIT	7.78%		6.98%
Selective	**0.18**	-81.84%	**1.00**
Margin	1.31%		6.76%
% of EBIT	0.78%		2.96%
Oto Top	**0.07**	-64.37%	**0.19**
Margin	1.46%		3.05%
% of EBIT	0.29%		0.57%
Income from Affiliated Companies	**6.17**	-10.57%	**6.90**
% of EBIT	26.33%		20.44%
Income From Estee Lauder JV	**6.17**	-10.57%	**6.90**
% of EBIT	26.33%		20.44%
Total EBIT	**23.44**	-30.60%	**33.78**
Margin	**10.63%**		**13.02%**

In terms of the Group's operating profit, it should be noted that the negative impact of the weak consumer environment, the deteriorating trading conditions and the currency devaluation in the group's foreign countries is partly offset by the realization of cost cutting initiatives.

Additionally, it is worth to note that during 2009 the Household Products have proven to be more resilient in terms of profitability partly thanks to lower commodity costs.

More specifically, **Household products** EBIT, reversing the previous quarter's trend, increased in 2009 by 24.42% to €11.11 mil. from €8.93 mil. in 2008. Their contribution to total EBIT increased from 26.44% in 2008 to 47.41% in 2009, while their EBIT margin reached 11.54% from 8.06%. Own brands of this category posted an EBIT growth of 25.21% during 2009, reaching €11.06mil.

Cosmetics EBIT decreased in 2009 by 71.62% compared to 2008. The Cosmetics EBIT margin during 2009 settled at 4.33% vs 12.68% in 2008. The operating profits of own brands within this category stood at €3.35 mil. during 2009 from €12.03 mil. in 2008, reduced by 72.12%.

The Estee Lauder JV income settled at €6.17 mil. in accordance with management's estimates.

Own vs Distributed EBIT Breakdown Update

Own brand portfolio generated income of €14.42 mil. in 2009 versus €20.86 mil. in 2008, reduced by 30.90%. The contribution of **own brands** (cosmetics and household products) to the total EBIT during 2009 is around the previous year's level and settled at 61.49% in comparison to 61.77% in 2008.

The **distributed brands** EBIT during 2009 reached €9.03 mil. from €12.92 mil. in 2008, reduced by 30.10%. Their contribution to total EBIT reached 38.51% in 2009 from 38.23% in 2008.

2. CONSOLIDATED REGIONAL ANALYSIS

2.1. 12M ’09 Turnover Breakdown

12M '09 Consolidated Turnover Breakdown per Geographic Market			
Country Turnover (€ mil)	**12M '09**	**%**	**12M '08**
Greece	**91.49**	-14.30%	**106.75**
% of Total Turnover	**41.46%**		**41.16%**
Poland	52.74	-19.56%	65.57
Romania	37.99	-13.36%	43.85
Bulgaria	13.80	-14.32%	16.10
Serbia	10.19	-8.77%	11.17
Czech Republic	5.61	-22.48%	7.24
Hungary	6.44	6.63%	6.04
FYROM	2.28	15.80%	1.97
Old Countries Subtotal	**129.06**	-15.06%	**151.95**
% of Total Turnover	**58.49%**		**58.58%**
Turkey**	0.10	-84.78%	0.68
New Countries Subtotal	**0.10**	-84.78%	**0.68**
% of Total Turnover	**0.05%**		**0.26%**
Total Turnover	**220.65**	-14.93%	**259.37**

***The 12M 2008 figure includes Russia & Ukraine sales.*

In 2009 the **Greek market** was influenced by the drastic inventory reduction that took place mainly during the first half of 2009 as well as the weak consumer spending and the challenging trading conditions that prevailed in the market throughout the year as a result of the adverse macroeconomic environment.

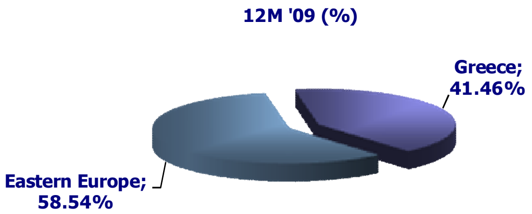
More specifically, sales in the Greek market dropped by 14.30% during 2009, reaching €91.49 mil. from €106.75 mil. in 2008. However, during the fourth quarter of 2009 Greece exhibited an improved performance in terms of sales versus the previous quarters of 2009, aimed by the Luxury Cosmetics subcategory and the Household Products.

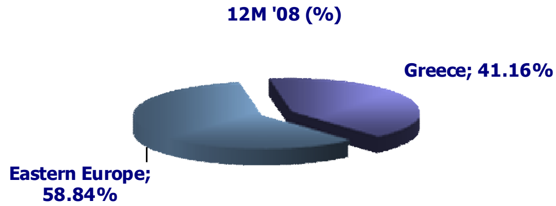
In terms of the EE market and more specifically the Group’s **old countries** of operation, the sales drop is largely attributed to the currency devaluation as well as the deteriorating consumption trends in the majority of the EE counties.

In particular, the old countries posted a decline of 15.06% in 2009 versus the previous year, which consists of a c. 2% sales drop in local currency and a c. 13% average currency devaluation[1]. It is worth to note that the old countries’ local currency sales contraction eased during Q4 2009 at 2.5% compared to the drop of c. 6% observed in Q3 2009.

[1] The average currency devaluation is calculated as a weighted average using local currency sales.

Greece and Eastern European Market Turnover breakdown Analysis





Turnover contribution from the foreign markets in 2009 remains at the previous year's level standing at 58.54%.

2.2. 12M '09 EBIT Breakdown

12M '09 Consolidated EBIT Breakdown per Geographic Market			
Country EBIT (€ mil)	12M '09	%	12M '08
Greece	**16.49**	-13.15%	**18.99**
% of Total Ebit	70.34%		56.21%
Poland	3.71	-28.81%	5.22
Romania	2.26	-57.68%	5.34
Bulgaria	0.66	-68.15%	2.08
Serbia	1.27	-44.61%	2.30
Czech Republic	-0.54		0.12
Hungary	-0.90	-38.79%	-0.65
FYROM	0.48	21.78%	0.40
Old Countries Subtotal	**6.95**	-53.01%	**14.80**
% of Total Ebit	29.66%		43.79%
Greece & Old Countries	**23.44**	-30.60%	**33.78**
Turkey	0.00		0.00
New Countries	0.00		0.00
Total EBIT	**23.44**	-30.60%	**33.78**

***The 12M 2008 figure includes Russia & Ukraine EBIT.*

The Greek EBIT during 2009 was reduced by 13.15% to €16.49 mil. It is worth to mention that during the fourth quarter the Greek EBIT stood at €5.10 mil increased by 42.75% versus the respective quarter last year and improved over the performance of this year's previous quarters. Excluding the Estee Lauder JV income, the Greek EBIT reached €2.50 mil. in Q4 2009 which corresponds to a 87% increase compared to last year's last quarter.

This improvement stems partly from the improvement during Q4 2009 in the subcategory of Luxury Cosmetics and the Household Products.

The Greek EBIT margin, excluding the EL JV income, stood at 11.28% in 2009 from 11.32% last year.

The old countries recorded an EBIT reduction of 53.01% to €6.95 mil in 2009 from €14.80 mil in 2008. The old countries EBIT margin settled at 5.39% in 2009 vs 9.74% in 2008.

3. Objectives and Prospects

Sarantis Group 2009 financial results were according to management's expectations and reflect the highly challenging trading environment. Despite operating in a continuously deteriorating economic environment, the downward trend eased during the fourth quarter of 2009, aided by the stabilization towards the end of the year of the currency devaluation in the EE region, the end of the key accounts destocking process, as well as the timely implementation of cost saving initiatives and the management's tight focus on working capital and solid cahflow generation.

As the economic uncertainty remains, the management expects the difficult trading conditions will persist in 2010 and the emphasis will be placed on aligning the business cost structure with the expected sales growth.

At the same time and as always, particular focus will be given on the Group's strategic drivers of growth that support its profitable course and constitute of:

1. Organic growth of the core business activities and emphasis on Sarantis own brands portfolio.
2. Increase of the existing market shares of own brands in the EE region.
3. Continuous examination of the situation in the economies of the Group's foreign countries and modification of the business where deemed necessary according to the new market conditions.
4. Examine possible acquisition targets in the old countries of operation, as long as market share, profitability and cost structure allow for synergies. The implementation of this project, which is of great strategic importance to the Group, had been postponed since the beginning of 2009 as a result of the global economic crisis on the basis that during the financial crisis acquisition opportunities with better valuations would appear in the broader region of Eastern and South Eastern Europe. The management now re-examines possible acquisition targets.