

SARANTIS GROUP

Consolidated Financial Results 3M 2006

- Financial results for the first quarter 2006 are in line with the Management's expectations for both the first quarter 2006 and the full year 2006.
- Foreign markets demonstrated higher growth rates as compared to the domestic market, raising their contribution to the total consolidated revenues
- Sarantis Group places special emphasis on the strategic markets of mass-market cosmetics and household products, and especially on its own product portfolio in these sectors
- The Management aims at the Group's stronger expansion in the new geographic markets as well as the gradual exit from non strategic activities
- From Q1 06 and going forward, Sarantis Group adopts a new analytical approach in the breakdown of turnover and profit per business activity

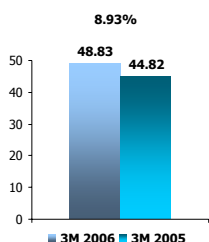
Financial Highlights (€ mio)	3M 2006	%	3M 2005
Turnover	48.83	8.93%	44.82
Gross Profit	24.05	12.38%	21.40
Gross Profit Margin	49.25%		47.74%
EBITDA	6.54	0.12%	6.53
EBITDA Margin	13.39%		14.57%
EBIT	5.65	1.86%	5.54
EBIT Margin	11.57%		12.37%
EBT	6.10	24.85%	4.89
EBT Margin	12.50%		10.91%
Income Tax	1.66	26.67%	1.31
Profit After Tax	4.45	24.18%	3.58
Profit After Tax Margin	9.11%		7.99%
Minority Interests	-0.03		0.06
EATAM	4.47	27.20%	3.52
EATAM Margin	9.16%		7.84%
EPS	0.12	27.20%	0.09

MAJOR HIGHLIGHTS

- Sarantis Group's **turnover** increased by 8.93% to € 48.83 million during the first quarter 2006
- **Household products** and **mass-market cosmetics** were the major revenue contributors during the first quarter, both in Greece and abroad
- **Health care products** posted the largest increase on an annual basis, by 22.79% to € 4.64 million, among the Group's major business activities, whereas the lower income from the strategic alliances is in line with the Group's new strategy
- In terms of foreign markets, **Poland and Romania** were the largest contributors, whereas **Bulgaria, Serbia, and Czech Republic** demonstrated especially strong growth rates

3m '06 Consolidated Financial Results

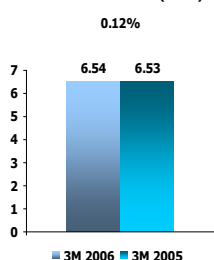
Consolidated Turnover (€ mio)



Turnover

Consolidated turnover grew by 8.93% during the first quarter of 2006. It is noted that on comparable basis, taking into account that revenues from the PET wholesale activity (of € 1.2 million) and from services to Estee Lauder JV (of € 1.1 million) were not recorded during the first quarter of 2006, consolidated revenue growth becomes double-digit, reaching 14%. During the period under consideration, the two major business activities, mass market cosmetics and household products, experienced satisfactory growth, with the performance of the Eastern European markets remaining strong.

Consolidated EBITDA (€ mio)



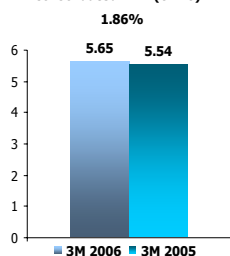
Gross Profit

Gross profit advanced by 12.38% to € 24.05 million in Q1 2006. Gross profit margin settled at 49.25% versus 47.74% in the first quarter of 2005, as a result of the constantly improving product mix and economies of scale.

EBITDA

EBITDA growth by 0.12% to € 6.54 million during the first quarter, led to the drop of EBITDA margin to 13.39% versus 14.57% in the same period of the previous year. The margin contraction was anticipated due to the Group's strong marketing support behind the strategic brands, which historically is higher in the first quarter, as well as due to the required start up costs in Hungary and Russia (equal to €280 th.) without a corresponding revenue. However the situation is expected to reverse in the following quarters.

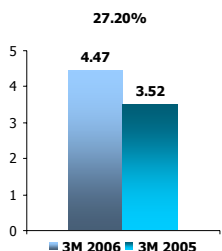
Consolidated EBIT (€ mio)



EBIT

According to the above mentioned, earnings before interest and taxes reached € 5.65 million versus € 5.54 million previously, up by 1.86%. This increase is higher related to that of EBITDA, due to the decrease of depreciation during this quarter.

Consolidated EATAM (€ mio)



EBT

As far as financial expenses are concerned, Sarantis Group generated positive results of € 0.45 million versus € -0.66 million in the first quarter '05, which was also due to the capital gains generated by Multirama transaction (of € 1.3 million). Therefore, earnings before taxes settled at € 6.10 million, higher by 24.85% as compared to Q1 2005.

EATAM

Earnings after taxes and minorities amounted to € 4.47 million (+27.2%), leading to a parallel improvement of profit margin.

3m '06 Consolidated Balance Sheet Comments

Major Highlights

Sarantis Group has set as top priority the generation of free cash flow through its operating activities, an achievement, which will allow the continuous materialization of the Group's growth strategy and investments in the Eastern European markets.

Bank debt, due to stronger free cash flow generated stream, was reduced by 3.45% (from €100.61 mio at 12 months 2005 to €97.14 mio on Q1 2006).

The restructure of the Group's loan portfolio composition (from long term to short term debt) compared to Q1 '05, was due to the adoption of IFRS, which define long term liabilities payable in the following year as short term liabilities. During the upcoming Annual Shareholders' Meeting on June 15, 2006, the Group's Management will seek for the approval of current debt's restructuring via long-term bonds based on more favourable financing terms, allowing the realization of interest cost savings.

(€ mio)	3M 2006	%	2005
Assets			
Property Plant & Equipment	44.03	-1.69%	44.79
Intangible Assets	0.03		0.00
Investments	23.14	8.12%	21.41
Other Long Term Assets	0.31	-16.20%	0.38
Deffered Tax	3.38	-1.95%	3.44
Total Non Current Assets	70.89	1.26%	70.01
Inventories	43.75	9.27%	40.04
Trade Debtors (Clients)	71.75	-2.28%	73.42
Other Receivables	8.95	31.14%	6.83
Marketable Securities	13.14	-20.46%	16.52
Cash & Banks	10.06	1.66%	9.90
Other Short Term Receivables	0.36	-57.06%	0.84
Total Current Assets	148.02	0.32%	147.55
Total Assets	218.92	0.62%	217.56
Shareholder's Equity & Liabilities			
L-T Bank Loans	15.30	-83.51%	92.80
Deferred Tax Liabilities	0.02	-9.38%	0.02
Retirement Benefit Obligations & Other Provisions	5.53	0.69%	5.49
Total Non Current Liabilities	20.85	-78.79%	98.32
Trade Creditors (Creditors & Checks)	40.33	-12.46%	46.07
S-T Bank Loans	81.84	947.27%	7.81
Other Short Term Liabilities	8.78	239.97%	2.58
Total Current Liabilities	130.94	131.91%	56.46
Share Capital	57.22	0.00%	57.22
Share Premium	38.75	0.00%	38.75
Fair Value & Other Reserves	-53.61	-1.27%	-54.30
Retained Earnings	24.76	17.29%	21.11
Shareholders Equity	67.12	6.91%	62.78
Total Liabilities & Equity	218.92	0.62%	217.56

1 CONSOLIDATED ACTIVITY ANALYSIS

1.1. 3m '06 Turnover Breakdown

Consolidated turnover breakdown per business activity is now reported through 4 categories, which constitute Sarantis Group's organic growth drivers according to the Management's new strategy. These categories are mass-market cosmetics, household products, health care products and strategic alliances.

3m '06 Consolidated Turnover Breakdown per Business Activity				
€ mil		3M '06	y-o-y growth	3M '05
Fragrances & Cosmetics		17.89	19.92%	14.92
	% of Total	36.63%		33.28%
	own	12.10	21.69%	9.94
	distributed	5.79	16.38%	4.97
Household Products		18.46	9.40%	16.88
	% of Total	37.82%		37.65%
	own	17.20	11.60%	15.41
	distributed	1.26	-13.73%	1.47
Health Care Products		4.64	22.79%	3.77
	% of Total	9.49%		8.42%
Strategic Alliances		7.84	-15.29%	9.25
	% of Total	16.06%		20.65%
Total Turnover		48.83	8.93%	44.82

Specifically, mass-market cosmetics posted significant increase of 19.92% during the first quarter 2006, reaching EUR 17.89 million, with the own product portfolio demonstrating an even greater growth, of 21.69%.

Household products posted satisfactory growth of 9.4% during the period under consideration, with their revenues reaching € 18.46 million, due to strong growth of the Group's own product portfolio. The particular business activity remained the largest contributor in consolidated turnover for one more quarter.

Health care products demonstrated an especially positive course, rising by 22.79% to € 4.64 million, as a result of product portfolio restructuring and distribution network expansion.

Finally, the revenue contraction in the category "strategic alliances" is due to the fact that revenues from the PET wholesale activity (of € 1.2 million) and from services to Estee Lauder JV (of € 1.1 million) were not recorded during the first quarter of 2006. However this contraction is in the context of the Group's new strategy, since the focus is currently shifting to Sarantis' own product portfolio and its strategic business activities. It is noted that there is an analysis of the category "strategic alliances" in the Appendix of this report.

Own vs Distributed Activity Turnover Breakdown Update



The breakdown of the consolidated turnover between own and distributed products is reported only for the mass-market cosmetics and household products. During the first quarter of 2006, consolidated revenues from own products, from both categories, amounted to € 29.3 million from € 25.35 million in first quarter 2005, higher by 15.56%. The contribution of own products to the total turnover of the above two categories (mass-market cosmetics and household products) settled at 80.60% in first quarter 2006 from 79.74% in the same period of 2005, signaling the Group's new strategy to further expand its own product portfolio.

On the other hand, revenues from distributed products during the first quarter 2006 reached € 7.05 million from € 6.44 million previously, advancing by 9.53%. Their contribution to the total revenues of the two categories dropped to 19.40% in the first quarter 2006 from 20.26% in the first quarter 2005.

1.2. 3m '06 EBIT Breakdown

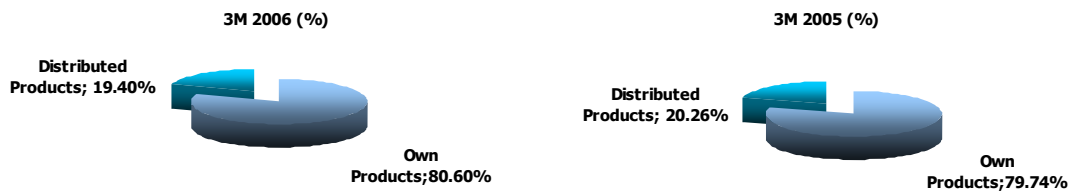
Sarantis Group's EBIT performance during the first quarter of 2006 has been satisfactory, taking also into consideration the especially high marketing support expenses and start up cost of new markets for the Group's expansion in the Eastern European markets.

3m '06 Consolidated EBIT Breakdown			
€ mio	3M '06	y-o-y growth	3M '05
Fragrances & Cosmetics	2.43	37.01%	1.78
% of Total	43.06%		32.02%
own	1.88	12.71%	1.66
distributed	0.56	401.68%	0.11
Household Products	1.53	-4.26%	1.59
% of Total	27.01%		28.74%
own	1.48	-0.48%	1.49
distributed	0.04	-58.60%	0.10
Health Care Products	0.76	41.53%	0.53
% of Total	13.40%		9.65%
Strategic Alliances	0.93	-43.14%	1.64
% of Total	16.52%		29.60%
TOTAL EBIT	5.65	1.86%	5.54

The mass-market cosmetics and health care products posted especially strong EBIT growth rates during the first quarter 2006 (+37.01% and +41.53% respectively), with their profit margins improving significantly (from 32.02% to 43.06%, and from 9.65% to 13.40% respectively).

On the contrary, the drop in the EBIT of household products resulted from the increased marketing support expenses in the markets of Russia and Hungary, whereas the EBIT performance of category "strategic alliances" was in line with the Group's new strategy.

Own vs Distributed EBIT Breakdown Update



The analysis of mass-market cosmetics and household products EBIT between own and distributed products, indicates that own product portfolio generated revenues of € 3.36 million in Q1 2006 versus €3.15 million in Q1 2005, higher by 6.48%. Consequently, the contribution of own products to the total EBIT of the above categories (mass-market cosmetics and household products) during the first quarter 2006 settled at 84.86% from 93.63% in the same period of 2005.

On the other hand, EBIT of distributed products during the first quarter 2006 reached € 0.60 million from € 0.21 million previously, advancing by 179.47%. Their contribution to the total EBIT rose to 15.14% from 6.37% in the first quarter 2005.

2. CONSOLIDATED REGIONAL ANALYSIS

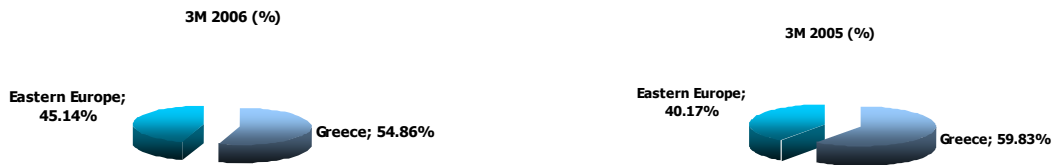
2.1. 3m '06 Turnover Breakdown

During the first quarter of 2006, Greece remained the major geographic contributor in the Group's consolidated turnover, posting however an almost stable performance in absolute terms due to the domestic market's maturity. The slight drop in revenues from Greece was also due to the fact that no revenues from PET activities and services to Estee Lauder JV were recorded during the quarter under consideration.

3m '06 Consolidated Turnover Breakdown per Geographic Market			
€ mio	3M '06	y-o-y growth	3M '05
Greece	26.79	-0.11%	26.82
% of Total Sales	54.86%		59.83%
Poland	8.86	12.52%	7.87
Romania	6.69	14.42%	5.85
Bulgaria	2.58	21.90%	2.12
Serbia	1.62	27.24%	1.27
Czech Republic	0.66	20.44%	0.55
FYROM	0.27	-21.75%	0.34
Ukraine	0.15		0.00
Turkey	1.21		0.00
Eastern Europe	22.04	22.41%	18.00
% of Total Sales	45.14%		40.17%
Total Sales	48.83	8.93%	44.82

At the same time, Sarantis greater penetration into the Eastern European markets is even more evident this quarter, since the contribution of the Greek market to the total turnover has dropped from 59.83% in the first quarter 2005 to 54.86% in the first quarter 2006. The major geographic markets in terms of contribution to the total Group turnover were Poland (+12.52%), Romania (+14.42%) and Bulgaria (+21.90%), whereas Serbia achieved the largest growth rate of 27.24%.

Greece and Eastern European Market Turnover breakdown Analysis



Sarantis Group's revenues from the Eastern European markets settled at € 22.04 million in the first quarter 2006 from € 18 million in the same period of 2005, posting a growth of 22.41%. Eastern Europe's contribution to the total Group turnover settled at 45.14% in Q1 '06 from 40.17% in Q1 '05.

2.2. 3m '06 EBIT Breakdown

The analysis of the consolidated earnings before interest and taxes per geographic market during the first quarter 2006 indicates the constantly declining contribution of Greece to the Group total EBIT.

3m '06 Consolidated EBIT Breakdown per Geographic Market				
€ mio		3M '06	y-o-y growth	3M '05
Greece		5.11	-2.93%	5.26
	% of Total EBIT	90.45%		94.91%
Poland		-0.12	-78.38%	-0.56
Romania		0.56	80.89%	0.31
Bulgaria		0.13	-23.52%	0.17
Serbia		0.37	16.13%	0.32
Czech Republic		0.04		0.00
FYROM		0.04	-1.13%	0.04
Ukraine		-0.15		0.00
Turkey		-0.05		0.00
Russia & Hungary		-0.28		0.00
Eastern Europe		0.54	91.09%	0.28
	% of Total EBIT	9.55%		5.09%
Total EBIT		5.65	1.86%	5.54

In absolute terms, Greece posted a drop in earnings before interest and taxes by 2.93% to € 5.11 million in first quarter 2006 from € 5.26 million previously.

Poland's performance was quite strong (from €-0.56 million previously to €-0.12 million in first quarter 2006), whereas as far as the newer markets of Ukraine, Turkey, Russia and Hungary are concerned, the Management targets a stronger improvement in the following quarters, as soon as marketing support investments begin to deliver returns for Sarantis Group.

Greece and Eastern European Market – EBIT Analysis



EBIT generated from the Eastern European markets reached € 0.54 million in the first quarter 2006 from € 0.28 million in the corresponding period last year, posting a growth of 91.09%. Total contribution from Eastern Europe to the consolidated EBIT rose from 5.09% in Q1 2005 to 9.55% in Q1 2006.

3. Objectives and Prospects for 2006

Financial results achieved during the first quarter of 2006, justify the Group's expansion strategy, which consists of the following axes:

- Geographical expansion in 4 new and important markets: Turkey, Ukraine, Russia and Hungary.
- Emphasis on further expansion and stronger marketing support of own product portfolio.
- Achievement of stronger growth rates in the major product categories: mass market cosmetics, household products, and secondarily, health care products.

It is noted that Group's Management targets a contribution of at least 50% from foreign markets in total consolidated turnover, until the end of 2006. The materialization of the above objective will be based on Sarantis leadership in the markets of household products and mass-market cosmetics in the great majority of the foreign markets.

Specifically, Sarantis Group is leader in the household market, not only in Greece, but also in Bulgaria, Romania, Serbia, FYROM and Poland. In addition, the Group holds the leading position in Bulgaria, Romania, Serbia and FYROM in mass-market cosmetics.

APPENDIX

3m '06 Strategic Alliances – Subcategories Breakdown			
€ mil	3M '06	y-o-y growth	3M '05
Luxury Cosmetics			
Turnover	3.30	12.60%	2.93
Margin to Str. alliances	42.14%		31.70%
EBIT	0.04		-0.31
Margin to Str. alliances	4.08%		-18.78%
Car Accessories			
Turnover	3.10	5.52%	2.94
Margin to Str. alliances	39.56%		31.76%
EBIT	-0.11		0.16
Margin to Str. alliances	-11.90%		9.95%
Pet Products			
Turnover	0.91	-48.61%	1.78
Margin to Str. alliances	11.64%		19.19%
EBIT	-0.17		0.05
Margin to Str. alliances	-18.33%		2.89%
Services to Estee Lauder JV			
Turnover	0.52	-67.49%	1.60
Margin to Str. alliances	6.66%		17.34%
EBIT	-0.27		0.09
Margin to Str. alliances	-28.74%		5.37%
Income from Affiliated Companies			
EBIT	1.45	-12.42%	1.65
Margin to Str. alliances	154.89%		100.56%
Total Subcategories Turnover	7.84	-15.29%	9.25
Total Subcategories EBIT	0.93	-43.14%	1.64