

SARANTIS GROUP
CONSOLIDATED FINANCIAL RESULTS H1 2017

57% Net Income increase, healthy balance sheet, on track to meet guidance.

Highlights: H1 2017

- Impressive Net Income growth of 57% to 13.37 mil. from 8.49 mil. driven by improvement in Gross Profit and balanced operational expenses.
- Significant improvement in profitability margins during H1 2017.
- The total Group turnover was up by 5.28% compared to the previous year's first half driven by both the foreign countries and Greece, which outperformed the market.
- EBITDA was up by 7.15% at €15.95 mil. in H1 2017 from € 14.89 mil. in H1 2016 and EBITDA margin stood at 9.49% from 9.32% in H1 2016.
- The Group's foreign countries maintain their high participation in the consolidated Group sales. Their participation stands at 61%.
- The participation of own brands to the Group's turnover stands at 73%.
- Healthy balance sheet, efficient working capital management, marginal net debt position.

<i>P&L (€ mil.)</i>	<i>H1 '17</i>	<i>%</i>	<i>H1 '16</i>
Turnover	168.07	5.28%	159.64
Gross Profit	79.58	7.06%	74.33
Gross Profit Margin	47.35%		46.56%
EBITDA	15.95	7.15%	14.89
EBITDA Margin	9.49%		9.32%
EBIT	13.57	6.50%	12.74
EBIT Margin	8.07%		7.98%
EBT	15.37	50.13%	10.24
EBT Margin	9.14%		6.41%
Tax	1.82	9.01%	1.67
Profit After Tax	13.55	58.13%	8.57
Profit After Tax Margin	8.06%		5.37%
Minorities	0.18		0.08
Net Profit	13.37	57.43%	8.49
Net Profit Margin	7.95%		5.32%
EPS	0.3844	57.38%	0.2442

Further information at: <http://ir.sarantis.gr/>

The financial results of H1 2017 will be presented in a conference call on July 28th 2017 at **17.00**, local time (GMT+2). Telephone number: 211 – 180 2000.

H1 '17 CONSOLIDATED FINANCIAL RESULTS

Turnover

The consolidated turnover amounted to €168.07 mil. from €159.64 mil. in H1 2016, up by 5.28%, supported by growth across the Group's territory. Brand-supporting initiatives, the continuous renewal of the brand portfolio and the increased penetration across its distribution channels support further brand engagement and drive growth. The foreign markets exhibited an increase of 5.72% and the Greek market, despite the continuing political instability and uncertainty, was up by 4.60% in H1 2017, outperforming the market.

Gross Profit

The Group's Gross Profit stood at €79.58 mil. during H1 2017 from €74.33 last year, up by 7.06%. The Group's Gross Profit margin during H1 2017 stood at 47.35% from 46.56% in the previous year's first half.

The growth in sales combined with continued financial discipline and focus behind better sourcing, value adding innovations, productivity driven cost savings and the utilization of synergies, resulted in a double-digit earnings per share growth and improvement in all profitability margins.

Specifically:

- **EBITDA** was up by 7.15% to € 15.95 mil. from €14.89 mil, with an EBITDA margin of 9.49% from 9.32% in H1 2016.
- **EBIT** reached € 13.57 mil. Increased by 6.50% versus €12.74 mil. and EBIT margin rose at 8.07% from 7.98% in H1 2016.
- **EBT** settled at €15.37 mil. from €10.24 mil. in H1 2016 up by 50.13% with the EBT margin reaching 9.14% from 6.41% in last year's first half.
- **Net Profit** increased by 57.43% to €13.37 mil. from €8.49 mil. in the previous year's first half, while Net Profit margin reached 7.95% from 5.32% in H1 2016.
- **EPS** settled at €0.3844 from €0.2442 in H1 2016, up by 57.38%.

H1 '17 CONSOLIDATED BALANCE SHEET / CASHFLOW

Sarantis Group exhibits an exceptionally healthy financial position and capital structure that allows for investing behind initiatives to accelerate growth and returning value to its shareholders.

Within 2017, the Group paid a dividend for FY 2016 of approximately €6 mil. (0.175 euros per share).

As of the end of H1 2017 the Group maintains a marginal net debt position of €0.07 mil.

Regarding working capital management, the Group's operating working capital settled at €102.99 mil. in H1 2017 compared to €94.08 mil. in H1 2016, while operating working capital requirements over sales settled at 30.52% in H1 2017 versus 30.75% in H1 2016.

The improvement is driven by improved receivables days as well as the efficient inventory management despite the Group's growth and the continuous product additions in the Group's portfolio.

ASSETS	H1 '17	%	FY '16
Tangible fixed assets	40.04	4.47%	38.33
Investments in property	0.54	-0.18%	0.54
Intangible Assets	36.71	7.92%	34.02
Goodwill	7.54	1.26%	7.45
Investments	12.83	23.38%	10.40
Financial assets available for sale	0.36	-48.66%	0.70
Other Long Term Assets	0.30	10.09%	0.27
Deffered Tax	0.93	12.81%	0.83
Total Non Current Assets	99.25	7.27%	92.52
Inventories	62.69	3.26%	60.71
Trade Receivables	87.89	11.60%	78.76
Other Receivables	6.72	-12.71%	7.70
Financial assets available at fair value through P&L	8.46	37.10%	6.17
Cash & Banks	25.82	-25.91%	34.85
Other Short Term Receivables	4.55	123.09%	2.04
Total Current Assets	196.14	3.10%	190.23
Total Assets	295.39	4.47%	282.76
SHAREHOLDER'S EQUITY & LIABILITIES			
L-T Bank Loans	27.23	-4.26%	28.44
Deferred Tax Liabilities	2.81	40.28%	2.00
Retirement Benefit Obligations & Other Provisions	1.84	-4.58%	1.93
Total Non Current Liabilities	31.88	-1.52%	32.38
Trade Creditors	47.59	-6.17%	50.72
Other Liabilities	6.95	41.49%	4.91
Income Taxes and other Taxes Payable	4.66	77.38%	2.63
S-T Bank Loans	7.49	19.94%	6.24
Other Short Term Liabilities	3.72	101.50%	1.85
Total Current Liabilities	70.41	6.12%	66.35
Share Capital	53.91	0.00%	53.91
Share Premium	39.37	0.00%	39.37
Other Reserves	17.79	2.10%	17.42
Minority Interest	1.24	15.94%	1.07
Retained Earnings	80.78	11.80%	72.26
Shareholders Equity	193.09	4.92%	184.03
Total Liabilities & Equity	295.39	4.47%	282.76
CASH FLOWS (€ mil.)			
	H1 '17		H1' 16
Operating Activities	-2.34		-7.43
Investment Activities	-0.91		-1.09
Financial Activities	-5.61		-4.81
Cash generated	-8.86		-13.33
Cash & Cash equivalents. beginning	34.85		33.43
Effect of foreign exchange differences on Cash	-0.17		0.04
Cash & Cash equivalents. end	25.82		20.14

CONSOLIDATED SBU ANALYSIS

H1 '17 Turnover Breakdown per Business Activity

<i>SBU Turnover (€ mil)</i>		<i>H1 '17</i>	<i>%</i>	<i>H1 '16</i>
Cosmetics		82.02	6.33%	77.13
	% of Total	48.80%		48.32%
Own		55.77	5.62%	52.80
	% of SBU	68.00%		68.45%
Distributed		26.25	7.88%	24.33
	% of SBU	32.00%		31.55%
Household Products		58.78	3.56%	56.76
	% of Total	34.97%		35.55%
Own		58.23	8.62%	53.61
	% of SBU	99.07%		94.45%
Distributed		0.55	-82.67%	3.15
	% of SBU	0.93%		5.55%
Private Label		7.72	2.24%	7.55
	% of Total	4.59%		4.73%
Other Sales		19.56	7.44%	18.20
	% of Total	11.64%		11.40%
Health Care Products		5.26	-3.30%	5.43
	% of SBU	26.87%		29.86%
Selective		14.30	12.01%	12.77
	% of SBU	73.13%		70.14%
Total Turnover		168.07	5.28%	159.64

During H1 2017 total Group sales were up by 5.28% supported by growth in the Group's strategic business categories.

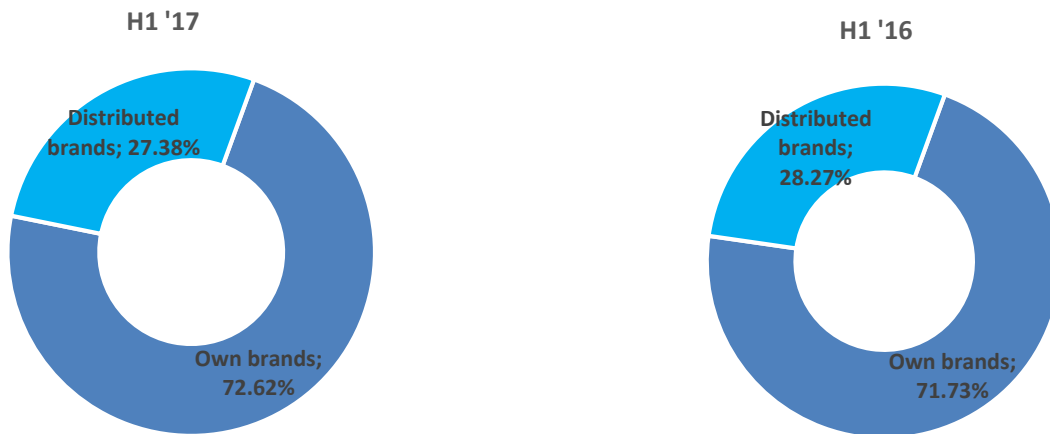
Cosmetics sales were up by 6.33% yoy to €82.02 mil. in H1 2017 from €77.13 mil. in H1 2016, supported by both the own brands portfolio as well as the distributed brands subcategory. Cosmetics participation to total Group turnover at 48.80%.

Sales of **Household Products** increased by 3.56% amounting to €58.78 million from €56.76 million in the previous year's first half, supported by growth in the own brands subcategory. The category's participation to total Group turnover amounted to 34.97%.

The category "**Private Label**" represents sales of Polipak, the Polish packaging products company, which specializes on the production of private label garbage bags.

The category of **Other Sales** increased by 7.44% mainly driven by the positive performance of the Luxury Cosmetics subcategory.

Own versus Distributed Activity Turnover Breakdown



During H1 2017, consolidated revenues of **own** brands (cosmetics, household products and private label) amounted to €122.05 million compared to €114.50 million in the previous year's first half, up by 6.59%. Furthermore, their contribution to the total group turnover stood at 72.62% from 71.73% in last year's first half.

Consolidated revenues of **distributed** brands during H1 2017 amounted to €46.02 million, from €45.14 million in H1 '16, up by 1.96%. Their participation to the total group sales settled at 27.38% from 28.27%.

H1 '17 EBIT SBU Breakdown per Business Activity

SBU EBIT (€ mil)	H1 '17	%	H1 '16
Cosmetics	4.12	16.67%	3.53
Margin	5.02%		4.58%
% of EBIT	30.36%		27.71%
Own	3.33	21.18%	2.75
Margin	5.97%		5.20%
% of EBIT	24.52%		21.55%
Distributed	0.79	0.90%	0.78
Margin	3.02%		3.23%
% of EBIT	5.84%		6.16%
Household Products	5.32	-7.20%	5.74
Margin	9.05%		10.11%
% of EBIT	39.23%		45.02%
Own	5.42	-4.21%	5.66
Margin	9.32%		10.56%
% of EBIT	39.98%		44.45%
Distributed	-0.10	-242.74%	0.07
Margin	-18.85%		2.29%
% of EBIT	-0.76%		0.57%
Private Label	0.39	122.59%	0.18
Margin	5.09%		2.34%
% of EBIT	2.90%		1.39%
Other Sales	1.08	24.18%	0.87
Margin	5.50%		4.76%
% of EBIT	7.92%		6.80%
Health Care Products	0.33	-27.16%	0.45
Margin	6.20%		8.23%
% of EBIT	2.40%		3.51%
Selective	0.75	79.11%	0.42
Margin	5.24%		3.28%
% of EBIT	5.52%		3.28%
Income from Associated Companies	2.66	9.33%	2.43
% of EBIT	19.59%		19.09%
Total EBIT	13.57	6.50%	12.74
Margin	8.07%		7.98%

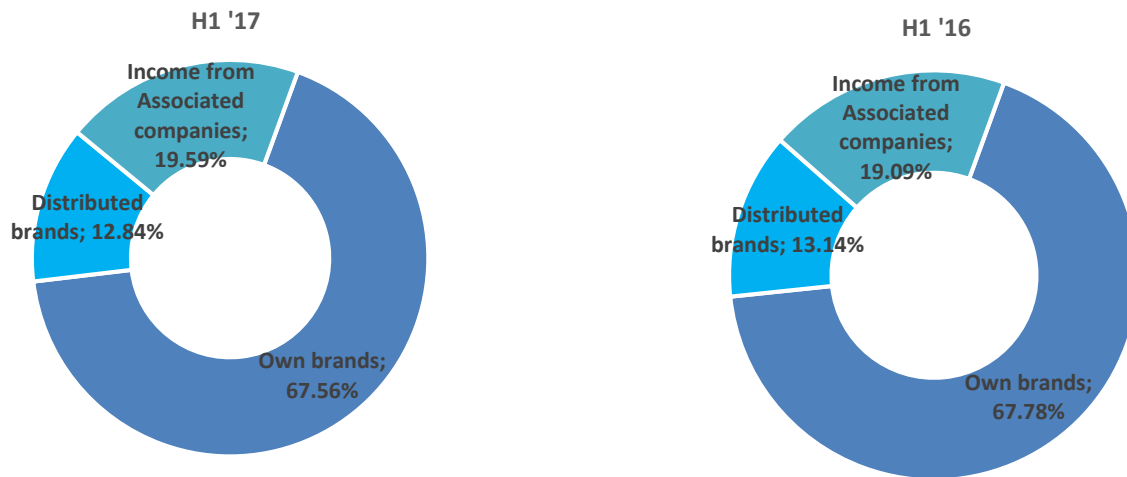
The Group's EBIT benefited by improved gross profit and balanced operational expenses.

Cosmetics EBIT increased by 16.67% in H1 2017 to €4.12 million from €3.53 million in the previous year's first half, driven mostly by the own Cosmetics subcategory. The margin of Cosmetics increased at 5.02% in H1 2017 from 4.58% in the previous year's first half.

The EBIT of **Household Products** posted a reduction of 7.20% during H1 2017 to €5.32 million from €5.74 million in H1 2016, driven by increased marketing and promotion expenses. Therefore, the EBIT margin of the household products stood at 9.05% during H1 2017 from 10.11% in H1 2016 and their participation to total Group EBIT settled at 39.23% in H1 2017.

The income from **Associated Companies** represents the income from the Estee Lauder JV.

Own vs Distributed EBIT Breakdown



The Own brands portfolio, generated income of €9.17 million in H1 2017 versus €8.63 million in H1 2016, up by 6.16%. The contribution of **own brands** (cosmetics, household products and private label) to the total EBIT during H1 2017 stood at 67.56%.

The EBIT of **distributed brands** during H1 2017 amounted to €1.74 million, from €1.67 million in H1 2016. In addition, income from Associated Companies presented income of €2.66 million, up by 9.33%, corresponding to 19.59% of the Group's EBIT.

CONSOLIDATED REGIONAL ANALYSIS

H1 '17 Turnover Breakdown per Geographic Market

<i>Country Turnover (€ mil)</i>	<i>H1 '17</i>	<i>%</i>	<i>H1 '16</i>
Greece	65.46	4.60%	62.58
% of Total Turnover	38.95%		39.20%
Poland	29.62	-1.55%	30.09
Poland - Polipak	7.72	2.24%	7.55
Romania	29.15	13.73%	25.63
Bulgaria	6.74	9.97%	6.13
Serbia	8.25	7.40%	7.68
Czech Republic	11.48	8.90%	10.54
Hungary	5.27	4.06%	5.07
FYROM	1.99	1.28%	1.97
Bosnia	1.37	3.88%	1.32
Portugal	1.00	-6.98%	1.07
Foreign Countries Subtotal	102.60	5.72%	97.06
% of Total Turnover	61.05%		60.80%
Total Turnover	168.07	5.28%	159.64

The Group's consolidated turnover presented an increase of 5.28% versus last year's first half, supported by the positive performance of both the Foreign Countries and the Greek market.

Despite the continuing political instability and uncertainty, Greece, exhibited a sales increase of 4.60% performing better than the total retail market.

The foreign markets of the Group showed a turnover increase of 5.72% yoy to €102.60 million from €97.06 mil in H1 2016. The foreign countries presented an average sales growth in local currencies of 5.02%.

The foreign countries' contribution into the Group's sales stood at 61.05%, from 60.80% in last year's first half.



H1 '17 EBIT Breakdown per Geographic Market

<i>Country EBIT (€ mil)</i>	<i>H1 '17</i>	<i>%</i>	<i>H1 '16</i>
Greece	10.22	15.31%	8.87
% of Total Ebit	75.35%		69.59%
Poland	0.47	-36.76%	0.75
Poland-Polipak	0.39	122.59%	0.18
Romania	1.63	1.40%	1.61
Bulgaria	0.33	-18.50%	0.41
Serbia	0.61	59.16%	0.39
Czech Republic	-0.03	-106.56%	0.43
Hungary	-0.15		-0.01
FYROM	0.24	-18.23%	0.29
Bosnia	-0.09	24.58%	-0.11
Portugal	-0.07	-50.21%	-0.04
Foreign Countries Subtotal	3.34	-13.66%	3.87
% of Total Ebit	24.65%		30.41%
Total EBIT	13.57	6.50%	12.74

The **Greek** EBIT during H1 2017 increased by 15.31% to €10.22 mil., from €8.87 mil. in H1 2016.

Excluding the income from Associated companies, Greek EBIT during H1 2017 amounted to €7.56 mil. increased by 17.57% compared to €6.43 mil. in last year's first half.

Greek EBIT margin, excluding income from Associated Companies, stood at 11.56% during H1 2017 from 10.28% in H1 2016.

The **foreign countries** EBIT was down by 13.66% during H1 2017, amounting to €3.34 mil., from 3.87 mil. in last year's first half as a result of increased advertising and promotion campaigns necessary to boost growth in sales. The foreign countries EBIT margin settled at 3.26% from 3.99% in the previous year's first half.

NEWS FLOW UP TO THE RELEASE DATE OF THE H1 2017 CONSOLIDATED FINANCIAL RESULTS

- Sarantis Group annual corporate presentation for analysts was realized on March 29th 2017 describing the management's strategy and estimates for 2017. Specifically, according to the Management's estimates, turnover will reach €353 mil. by the end of 2017 vs €329.02 mil in 2016. EBITDA is expected to increase to €39.59 mil. in 2017 from €35.92 mil. in 2016. EBIT is estimated to reach €35.19 mil. in 2017 from €31.52 mil. in 2016, while EBT is expected to reach €32.97 mil. in 2017 from €28.84 mil in 2016. Finally, Net Profit is expected to settle at €27.71 mil. in 2017, from €24.52 mil. in 2016.
- Following the General Shareholders Meeting resolution dated May 3rd 2017, the company GR. SARANTIS S.A. proceeded to the distribution of a dividend payment for the fiscal year 2016 amounting to 0.1750 euro per share. The aforementioned dividend amount was subject to a 15% withholding tax and therefore shareholders received a net amount of 0.14875 euro per share. The dividend payment took place on May 16th 2017 via the National Bank of Greece through the authorized operators of the beneficiary shareholders registered with the D.S.S.
- According to the provisions of the article 17 of the Regulation (EU) No 596/2014 of the European Parliament and of the Council, as well as the article 4.1.3.1 of the Athens Exchange Regulation, the company GR. SARANTIS CYPRUS LTD". proceeded on March 6th 2017 to the sale of thirteen thousand six hundred and twenty five (13,625) common registered shares of the Societe Anonyme under the name "THRACE SARANTIS INDUSTRIAL & COMMERCIAL SOCIETE ANONYME" with the distinctive title "THRACE SARANTIS S.A.". The shares correspond to the 50% of the paid-in share capital of "THRACE SARANTIS S.A." and were sold for one million (1,000,000) Euros. Following this transaction, GR. SARANTIS S.A. has no participation in the company «THRACE SARANTIS S.A.».

OBJECTIVES AND PROSPECTS

The Group's H1 2017 financial results were marked again by significant progress backed by the Group's deep product and market know-how as well as new product development initiatives that are supported by an efficiently executed and well balanced communication plan. At the same time the balanced allocation of resources and management of expenses together with cost saving initiatives support the Group's profitability and provide the fuel for further investments behind growth.

As always the Group's strategic focus is on the renewal and enrichment of its brand portfolio in all the Group's countries as well as the expansion of its geographical presence making strategic investments in high potential, high return areas of the business. Moreover, value adding acquisitions able to provide high returns and synergies remain an important growth driver for the group.

Looking to the second half of 2017, while the challenges remain, the Group is moving in the right direction, positioned to gain further market share, identify areas that can benefit the Group further and exploit growth opportunities. Confident in our ability to leverage our assets, that is our strong brand portfolio, our marketing capabilities, our commercial excellence and production efficiency, we believe that we will continue to deliver over-market volume growth, increased profitability margins and additional free cashflow.

Therefore, the management reiterates its Guidance for Group sales growth of 7.3% to 353 mil. euros, EBITDA growth of 10% to 39.59 mil. euros and Net income growth of 13% to 27.71 mil. euros.