

SARANTIS

Consolidated Financial Results H1 2009

MAJOR HIGHLIGHTS: H1 2009

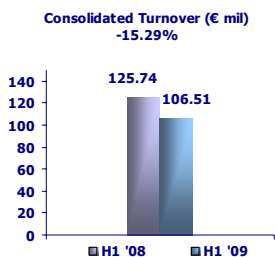
- Sarantis Group Q2 2009 financial results improved compared to Q1 2009.
- Sarantis Group's turnover decreased by 15.29% to €106.51 mil. in H1 2009 from €125.74 mil. in H1 2008.
- Gross profit declined by 19.21% to €52.70 mil. in H1 2009 from €65.23 mil. in the comparable prior-year period.
- Earnings before interest and taxes reached €10.91 mil. in H1 2009, reduced by 41.44%.
- EATAM amounted to €7.89 mil. from €15.32 mil. the same period last year.
- The Group's own brands' turnover declined, increasing nevertheless their participation to total Group turnover, mainly driven by the solid performance of the Household Products business category.
- The Group's old countries recorded sales growth of c. 4% during H1 2009 in local currency.

P&L (€ mil.)	H1 '09	%	H1 '08
Turnover	106.51	-15.29%	125.74
Gross Profit Gross Profit Margin	52.70 49.48%	-19.21%	65.23 51.88%
EBITDA EBITDA Margin	12.72 11.95%	-38.11%	20.56 16.35%
EBIT EBIT Margin	10.91 10.25%	-41.44%	18.64 14.82%
EBT EBT Margin	9.89 9.29%	-49.56%	19.62 15.60%
Tax	2.00	-53.45%	4.29
Profit After Tax Profit After Tax Margin	7.89 7.41%	-48.49%	15.32 12.19%
Minority Interests	0.00		0.00
EATAM EATAM Margin	7.89 7.41%	-48.49%	15.32 12.19%
EPS	0.21	-48.49%	0.40

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

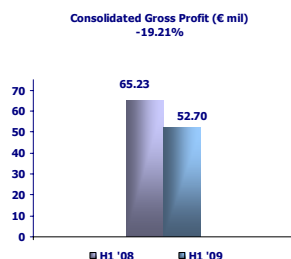
Financial results for H1 2009 can be discussed during the **conference call** which will take place on the 27th of August at **17.00 Athens time**. Please check our IR Site under IR Events for dial details.

H1 '09 Consolidated Financial Results



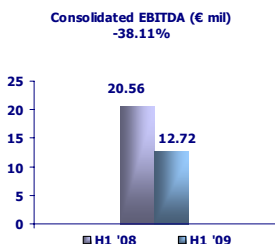
Turnover

In H1 2009 consolidated turnover declined by 15.29% reaching €106.51 mil. from €125.74 mil. the comparable prior-year period. 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. Excluding the FX translation effect, Group sales reduced by c. 6%. Moreover, it is worth to note that during Q2 2009 Group sales declined by 13.72%, improved over the 17.23% drop in Q1 2009, a fact which is partly explained by the lower inventory reduction in the retail sector during the second quarter of 2009.



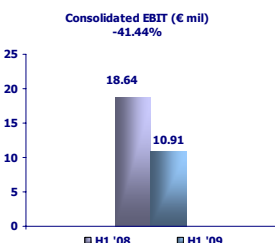
Gross Profit

Gross profit reduced by 19.21% to €52.70 mil. in H1 2009 from €65.23 mil. Gross profit margin settled at 49.48% versus 51.88%, largely affected by the adverse currency movements. Nevertheless, the negative impact was partly offset by the high participation of the own brands portfolio as well as more competitive raw material prices.



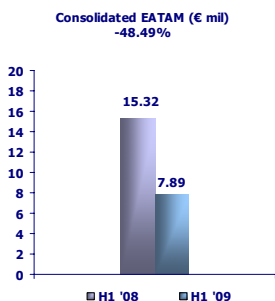
EBITDA

EBITDA posted a decrease of 38.11% to €12.72 mil. in H1 2009 from €20.56 mil. in H1 2008, while the EBITDA margin stood at 11.95% from 16.35% in the respective prior-year period.



EBIT

Earnings before interest and taxes reached €10.91 mil. from €18.64 mil., reduced by 41.44% and EBIT margin was reduced from 14.82% in H1 2008 to 10.25% in H1 2009.



EBT

During the second quarter of 2009, the Group presented financial income of €0.16 mil. mainly on the back of favorable currency movements during Q2 2009 versus Q1 2009. Earnings before taxes settled at €9.89 mil. from €19.62 mil. in H1 2008, a reduction of 49.56% compared to the respective period of last year.

EATAM

Earnings after taxes and minorities reached €7.89, reduced by 48.49% compared to the comparable prior-year period and the EATAM margin settled at 7.41% from 12.19%.

H1 '09 Consolidated Balance Sheet / Cash Flow

Major Highlights

During H1 2009, total Group's bank debt reached €61.01 mil. from €64.92 mil. in FY 2008, further reduced (compared to Q1 2009) by 6%.

The operating working capital settled at €81.45 mil. in H1 2009 from €71.17 mil. in 2008, while operating working capital requirements over sales stood at 33.92% from 27.44%. This increase is temporary and is due to seasonality, while a recovery is expected in H2 2009.

(€ mil.)	H1 '09	%	FY '08
ASSETS			
Property Plant & Equipment	39.56	-9.54%	43.73
Intangible Assets	5.97	232.09%	1.80
Goodwill	5.96	-1.95%	6.08
Investments	22.81	17.04%	19.49
Other Long Term Assets	0.73	-51.80%	1.51
Deffered Tax	2.45	10.12%	2.22
Total Non Current Assets	77.48	3.53%	74.84
Inventories	39.85	-11.36%	44.95
Trade Receivables	77.54	5.76%	73.31
Other Receivables	5.72	-5.46%	6.05
Marketable Securities	6.42	7.41%	5.97
Cash & Banks	9.41	-59.37%	23.16
Other Short Term Receivables	0.45	-39.74%	0.74
Total Current Assets	139.38	-9.61%	154.20
Total Assets	216.87	-5.31%	229.04
SHAREHOLDER'S EQUITY & LIABILITIES			
L-T Bank Loans	18.25	0.00%	18.25
Deferred Tax Liabilities	0.00	-100.00%	0.05
Retirement Benefit Obligations & Other Provisions	3.36	-29.58%	4.77
Total Non Current Liabilities	21.61	-6.32%	23.07
Trade Creditors & Other Liabilities	35.93	-23.71%	47.10
Income Taxes and other Taxes Payable	3.68	-10.99%	4.14
S-T Bank Loans	42.76	-8.39%	46.67
Other Short Term Liabilities	5.72	73.86%	3.29
Total Current Liabilities	88.09	-12.95%	101.19
Share Capital	59.06	0.00%	59.06
Share Premium	39.25	0.00%	39.25
Other Reserves	-14.78	20.74%	-12.24
Minority Interest	0.00	114.87%	0.00
Retained Earnings	23.63	26.35%	18.71
Shareholders Equity	107.17	2.28%	104.78
Total Liabilities & Equity	216.87	-5.31%	229.04
(€ mil.)	H1 '09		H1 '08
Operating Activities	-2.27		-3.86
Investment Activities	-1.42		-1.58
Financial Activities	-7.43		-18.91
Cash generated	-11.12		-24.35
Cash & Cash equivalents, beginning	23.16		43.17
Effect of foreign exchange differences on Cash	-2.63		-0.54
Cash & Cash equivalents, end	9.41		18.27

1 CONSOLIDATED SBU ANALYSIS

1.1. H1 '09 Turnover Breakdown

H1 '09 Consolidated Turnover Breakdown per Business Activity				
SBU Turnover (€ mil)		H1 '09	%	H1 '08
Fragrances & Cosmetics		45.91	-17.50%	55.65
	% of Total	43.10%		44.26%
Own		31.57	-19.65%	39.30
	% of SBU	68.78%		70.62%
Distributed		14.33	-12.35%	16.35
	% of SBU	31.22%		29.38%
Household Products		46.31	-11.77%	52.48
	% of Total	43.47%		41.74%
Own		45.84	-7.84%	49.74
	% of SBU	99.00%		94.78%
Distributed		0.46	-83.13%	2.74
	% of SBU	1.00%		5.22%
Other Sales		14.30	-18.77%	17.61
	% of Total	13.43%		14.00%
Health Care Products		6.15	-20.14%	7.70
	% of SBU	42.98%		43.71%
Selective		6.00	-10.85%	6.73
	% of SBU	41.97%		38.24%
Oto Top		2.15	-32.25%	3.18
	% of SBU	15.05%		18.05%
Total Turnover		106.51	-15.29%	125.74

It should be mentioned that the adverse conditions in the consumer sector as well as the unfavorable foreign exchange rates in the Group's foreign markets during the first half of 2009, had a negative effect on all the business categories of the Group.

Having said that however it is worth to highlight the improvement of the **Household Products** category sales during the second quarter of 2009 compared to the first quarter of 2009.

More specifically, the Household Products demonstrated a 8.08% sales drop in Q2 2009 compared to a 16.18% decline in Q1 2009. During H1 2009 household products turnover declined by 11.77%, reaching €46.31 mil. from €52.48 mil. in the respective period last year. The participation of **own brands** within this SBU increased to 99% from 94.78%.

Fragrances and Cosmetics on the other hand, follow a different sales pattern with Q2 2009 turnover having dropped by 18.43% compared to a 16.25% decline in Q1 2009. During H1 2009 **Fragrances and Cosmetics** recorded a sales decline of 17.50% amounting to €45.91 mil. from €55.65 mil. in the comparable prior-year period. In this SBU, **own brands** demonstrate a decline of 19.65% and their contribution to total turnover also dropped to 68.78% from 70.62%. The weakening in the Fragrances & Cosmetics category is partly attributed to the hard-

relaunch of STR8 that took place in Q2 2008.

The contraction in the category of **Other Sales** is also due to the exit from non profitable contacts in the subcategories of Health & Care Products and Selective Products.

Own vs Distributed Activity Turnover Breakdown Update



During H1 2009, consolidated revenues from **own brands** (fragrances & cosmetics and household products) amounted to €77.42 from €89.04 in H1 2008, reduced by 13.05%. However, the own brands participation to total group turnover increased to 72.68% in H1 2009 from 70.81% in H1 2008, mainly driven by the improved performance of the Household Products business category.

Similarly, revenues from **distributed brands** during H1 2009 reached €29.10 mil. from €36.70 mil. in H1 2008, reduced by 20.71%. Their participation to total group sales was down from 29.19% in H1 2008 to 27.32% in H1 2009.

1.2. H1 '09 EBIT SBU Breakdown

H1'09 Consolidated EBIT Breakdown per Business Activity				
SBU EBIT (€ mil)		H1 '09	%	H1 '08
Fragrances & Cosmetics		2.01	-75.21%	8.12
Own	Margin	4.39%		14.59%
	% of EBIT	18.45%		43.57%
		1.21	-81.54%	6.55
	Margin	3.83%		16.67%
Distributed	% of EBIT	11.08%		35.15%
		0.80	-48.81%	1.57
	Margin	5.61%		9.60%
	% of EBIT	7.37%		8.43%
Household Products		4.25	-11.98%	4.82
Own	Margin	9.17%		9.19%
	% of EBIT	38.91%		25.88%
		4.19	-12.01%	4.76
	Margin	9.14%		9.58%
Distributed	% of EBIT	38.40%		25.56%
		0.05	-9.09%	0.06
	Margin	11.87%		2.20%
	% of EBIT	0.50%		0.32%
Other Sales		0.34	-67.78%	1.07
Health Care Products	Margin	2.41%		6.07%
	% of EBIT	3.16%		5.74%
		0.76	-25.68%	1.03
	Margin	12.41%		13.33%
Selective	% of EBIT	6.99%		5.51%
		-0.30		0.02
Oto Top	Margin	-4.94%		0.23%
	% of EBIT	-2.72%		0.08%
		-0.12		0.03
	Margin	-5.66%		0.86%
	% of EBIT	-1.12%		0.15%
Income from Affiliated Companies		4.31	-6.80%	4.62
	% of EBIT	39.49%		24.81%
Income From Estee Lauder JV		4.31	-6.80%	4.62
	% of EBIT	39.49%		24.81%
Total EBIT		10.91	-41.44%	18.64
	Margin	10.25%		14.82%

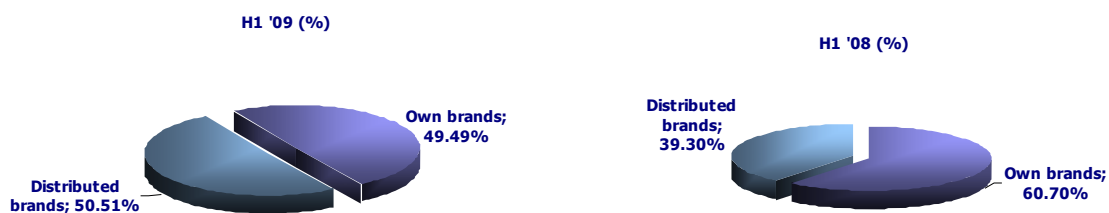
Fragrances & Cosmetics EBIT decreased in H1 2009 by 75.21%, compared to H1 2008, while the fragrances & cosmetics EBIT contribution to total EBIT settled at 18.45%. The operating profits of own brands within this category stood at €1.21 mil. from €6.55 mil., reduced by 81.54% compared to the respective period last year.

Household products EBIT was reduced by 11.98% to €4.25 mil. in H1 2009 from €4.82 mil., with their contribution to total EBIT reaching 38.91% in H1 2009 from 25.88% in H1 2008. Own brands of this category posted an EBIT reduction of 12.01% reaching €4.19 mil. compared to €4.76mil. in H1 2008.

It is worth to note that during the second quarter of 2009, the operating profits of the household products improved compared to the first quarter of 2009. More specifically, the own brands posted an EBIT growth of 21.12% during Q2 2009 vs Q2 2008 compared to a 52.02% EBIT decline during Q1 2009.

Moreover, the income from the Estee Lauder JV during H1 2009 stood at €4.31 mil. from €0.21 mil. in Q1 2009 and €4.62 mil. in the respective period last year.

Own vs Distributed EBIT Breakdown Update



Own brand portfolio generated income of €5.40 mil. in H1 2009 versus €11.31 mil. in H1 2008, reduced by 52.27%. The contribution of **own brands** (fragrances & cosmetics and household products) to the total EBIT during H1 2009 reduced to 49.49% in comparison to 60.70% in H1 2008.

The **distributed brands** EBIT during H1 2009 reached €5.51 mil. from €7.32 mil. in H1 2008, reduced by 24.73%. Their contribution to total EBIT increased to 50.51% in H1 2009 from 39.30% in H1 2008.

2. CONSOLIDATED REGIONAL ANALYSIS

2.1. H1 '09 Turnover Breakdown

H1 '09 Consolidated Turnover Breakdown per Geographic Market			
Country Turnover (€ mil)	H1 '09	%	H1 '08
Greece	49.07	-16.60%	58.83
% of Total Turnover	46.07%		46.79%
Poland	22.41	-22.68%	28.99
Romania	17.48	-14.55%	20.46
Bulgaria	6.62	-8.99%	7.27
Serbia	4.63	-9.49%	5.12
Czech Republic	2.28	-14.50%	2.67
Hungary	2.82	202.29%	0.93
FYROM	1.09	15.02%	0.95
Old Countries Subtotal	57.34	-13.63%	66.39
% of Total Turnover	53.83%		52.80%
Turkey **	0.10		0.51
New Countries Subtotal	0.10		0.51
% of Total Turnover	0.10%		0.41%
Total Turnover	106.51	-15.29%	125.74

***The H1 2008 figure includes Russia & Ukraine sales.*

The weakening in the Group's sales across all regions reflects the adverse impact of lower consumer spending and the unfavorable macroeconomic environment as well as the negative FX translation impact in the Group's foreign markets.

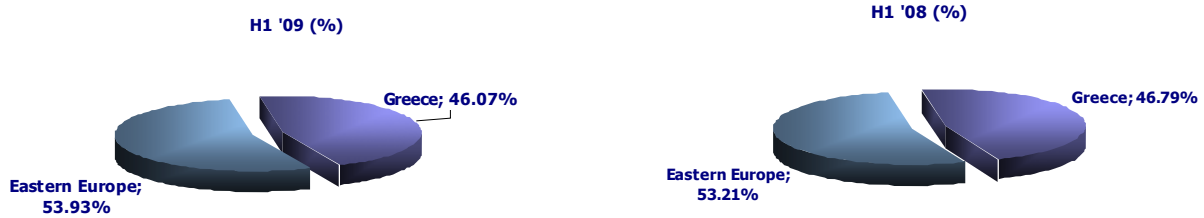
It is important to stress however, that the Group performed better in terms of sales during the second quarter of 2009 compared to the first quarter of 2009, as Group turnover dropped by 13.72% in Q2 2009, while the sales decline during Q1 2009 was equal to 17.23%.

The improvement is largely attributed to the **Greek market** where sales dropped in Q2 2009 by 10.16%, compared to a 24.20% drop in Q1 2009, and is mainly explained by the lower inventory reduction in the retail sector.

The management believes that the unbalanced inventory management in the retail sector during the first half of 2009 represented an extreme reaction of the retail sector to the economic crisis and expects that a more rational inventory management will be applied in the second half of 2009, thus normalising the intense sales fluctuations which were observed during Q1 & Q2 of 2009 in Sarantis Greek market sales.

As far as the **Old Countries** turnover is concerned, during H1 2009 the Old Countries posted a sales decline of 13.63% reaching €57.34 mil. from €66.39 mil. in H1 2008, while their contribution to total Group sales increased to 53.83% from 52.80%. It is important to note that excluding the foreign exchange translation impact, the Old Countries turnover during H1 2009 posted a c. 4% growth versus the comparable prior-year period.

Greece and Eastern European Market Turnover breakdown Analysis



Turnover contribution from the foreign markets increased to 53.93% of total sales in H1 2009 from 53.21% in H1 2008.

2.2. H1 '09 EBIT Breakdown

H1 '09 Consolidated EBIT Breakdown per Geographic Market			
Country EBIT (€ mil)	H1 '09	%	H1 '08
Greece	9.77	-25.10%	13.05
% of Total Ebit	89.54%		70.00%
Poland	0.55	-45.77%	1.01
Romania	0.44	-83.06%	2.59
Bulgaria	-0.05	-105.49%	0.86
Serbia	0.63	-50.95%	1.29
Czech Republic	-0.29		-0.09
Hungary	-0.41	-30.27%	-0.32
FYROM	0.26	11.15%	0.24
Old Countries Subtotal	1.13	-79.74%	5.59
Greece & Old Countries	10.90	-41.49%	18.64
Turkey **	0.01		0.00
New Countries	0.01		0.00
Total EBIT	10.91	-41.44%	18.64

**The H1 2008 figure includes Russia & Ukraine EBIT.

The old counties of operation recorded an EBIT reduction of 79.74% to €1.13 mil. in H1 2009 from €5.59 mil in H1 2008, while the old countries EBIT margin settled at 1.98% in H1 2009 from 8.42% in the respective period last year.

The Greek EBIT declined by 25.10% to €9.77 mil. from €13.05 mil. in H1 2008.

3. Objectives and Prospects

Sarantis Group H1 2009 financial results reflect the weakening in the consumer sector and the unfavorable currency movements in the Group's foreign countries.

However, having said that, it should be noted that, compared to the first quarter of 2009, during the second quarter of 2009 the Group managed to improve its performance on the back of the improved Greek market operations and by focusing on cost saving initiatives and more rational operating expenses.

The management expects the difficult trading conditions will persist in the second half of 2009. However, unless there is a further deterioration in the economic environment and given the Group's recent performance, the management believes its FY 2009 estimates will be achieved.

The Group's strategic pillars of growth that support its profitable course are:

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. Focus on the successful implementation of SAP and "go live" on 01/01/2010 in Poland and Romania.