

SARANTIS GROUP
CONSOLIDATED FINANCIAL RESULTS FY 2011

Highlights: FY 2011

- Marginal growth by 0.58% on the consolidated turnover, driven by the Eastern European markets.
- Consolidated gross profit amounted to € 105.55 million, down by 2.35% vs last year's level. The gross profit margin settled at 47.70%.
- Reduction in the annual operating profit (EBIT), but preservation of the of the Group's profitability margins, through the control of the operating expenses.
- The Group's foreign countries maintain their high participation in the consolidated Group sales. Their participation stands at 65.4%.
- The participation of own brands to the Group's turnover further increased.
- Sound capital structure. Positive operating cashflows and normalization of the working capital requirements.
- Solid net debt position.

<i>P&L (€ mil.)</i>	<i>FY 11</i>	<i>%</i>	<i>FY 10</i>
Turnover	221.29	0.58%	220.01
Gross Profit	105.55	-2.35%	108.08
Gross Profit Margin	47.70%		49.13%
EBITDA	19.63	-8.21%	21.38
EBITDA Margin	8.87%		9.72%
EBIT	15.77	-10.13%	17.55
EBIT Margin	7.13%		7.97%
EBT	12.65	-24.50%	16.76
EBT Margin	5.72%		7.62%
Tax	2.91	-5.89%	3.10
Profit After Tax (excl. One-Off Tax)	9.74	-28.72%	13.66
Profit After Tax Margin	4.40%		6.21%
One-off Tax	0	-100.00%	0.44
EATAM (incl. One-Off Tax)	9.74	-26.35%	13.22
EATAM Margin (incl. One-Off Tax)	4.40%		6.01%
EPS	0.25	-26.35%	0.34

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

The financial results of 12M 2011 will be presented in a conference call on the 29th March 2011 at **17.00**, local time (GMT+2). Telephone number: 211 – 180 2000.

FY '11 CONSOLIDATED FINANCIAL RESULTS**Turnover**

The consolidated turnover increased by 0.58% versus last year's and amounted to €221.29 million, from €220.01 mil in FY 2010.

Due to the negative economic environment in Greece and the drop in the local retail market, Sarantis Greek sales were down by 1.91%, while the Group's foreign markets continued their positive course rising by 1.95%.

Negative impacts have been arisen also by the currencies valuations in the last quarter of 2011, an effect which seems to normalize during the first quarter of 2012.

Gross Profit

The Gross profit during FY 2011 has been decreased by 2.35% to €105.55 mil., from €108.08 mil. last year. The gross profit margin settled at 47.7% vs 49.13% in FY 2010, affected by the increased production cost.

EBITDA

Consequently the EBITDA posted a decrease of 8.23% to €19.63 mil. in FY 2011, from €21.38 mil., in FY 2010.

EBIT

The earnings before interest and taxes reached €15.77 mil., from €17.55 mil., down by 10.13% and the EBIT margin settled from 7.97% in FY 2010, at 7.13% in FY 2011.

EBT

Profit before tax dropped by 24.50%, from €16.76 mil., in FY 2010 to €12.65 mil. due to increased financial expenses of €3.11 mil which were mostly attributed to increased interest payments.

EATAM

The earnings after taxes and minorities reached €9.74 mil., reduced by 26.35% compared to FY 2010, while the EATAM margin stood at 4.40% from 6.01% in the respective period last year.

FY '11 CONSOLIDATED BALANCE SHEET / CASHFLOW

Despite the challenging economic conditions Sarantis Group has successfully managed to generate positive operating cashflows, a fact attributed to management's focus behind the containment of operating expenses and the efficient working capital management.

The Group's working capital settled at €63.65 mil. in FY 2011 from €63.30 mil. in FY 2010 and €64.10 mil. in FY 2009, while working capital requirements over sales settled at 28.76% vs 28.77% in 12M 2010.

At the same time the Group benefits from a healthy capital structure and low leverage. In 12M 2011, the Group's net debt settled at €3.19 mil.

BALANCE SHEET (€ mil.)	FY '11	%	FY '10
ASSETS			
Property Plant & Equipment	37.86	-3.98%	39.43
Intangible Assets	16.82	45.41%	11.57
Goodwill	6.14	29.55%	4.74
Investments	16.87	-3.21%	17.43
Financial assets available for sale	6.32	21.26%	5.21
Other Long Term Assets	0.33	8.18%	0.30
Deffered Tax	1.60	-24.43%	2.12
Total Non Current Assets	85.96	6.36%	80.82
Inventories	37.43	11.12%	33.68
Trade Receivables	71.68	-0.26%	71.87
Other Receivables	6.28	21.05%	5.19
Financial assets available at fair value through profit or loss	0.17	-91.23%	1.93
Cash & Banks	38.15	-19.11%	47.16
Other Short Term Receivables	1.04	7.44%	0.97
Total Current Assets	154.75	-3.76%	160.80
Total Assets	240.70	-0.38%	241.62
SHAREHOLDER'S EQUITY & LIABILITIES			
L-T Bank Loans	17.00	-56.96%	39.50
Deferred Tax Liabilities	0.14	280.35%	0.04
Retirement Benefit Obligations & Other Provisions	3.99	-9.08%	4.38
Total Non Current Liabilities	21.12	-51.91%	43.92
Trade Creditors & Other Liabilities	45.46	7.60%	42.25
Income Taxes and other Taxes Payable	1.55	-27.58%	2.14
S-T Bank Loans	42.59	73.79%	24.50
Other Short Term Liabilities	3.46	-24.60%	4.58
Total Current Liabilities	93.06	26.64%	73.48
Share Capital	59.06	0.00%	59.06
Share Premium	39.25	0.00%	39.25
Other Reserves	-23.27	26.22%	-18.44
Minority Interest	0.00	-100.00%	0.01
Retained Earnings	51.49	16.14%	44.33
Shareholders Equity	126.53	1.86%	124.22
Total Liabilities & Equity	240.70	-0.38%	241.62
CASH FLOWS (€ mil.)	FY '11		FY '10
Continuing Operating Activities	5.46		8.60
Continuing Investment Activities	-7.95		-2.13
Continuing Financial Activities	-6.58		8.81
Total Continuing Operations	-9.07		15.29
Total Discontinued Operations	0.00		0.95
Cash generated	-9.07		16.23
Cash & Cash equivalents. beginning	47.16		30.82
Effect of foreign exchange differences on Cash	0.05		0.11
Cash & Cash equivalents. end	38.15	-19.11%	47.16

CONSOLIDATED SBU ANALYSIS

FY '11 Turnover Breakdown per Business Activity

<i>SBU Turnover (€ mil)</i>		<i>FY '11</i>	<i>%</i>	<i>FY '10</i>
Cosmetics		98.85	0.36%	98.49
	% of Total	44.67%		44.77%
Own		70.52	6.56%	66.18
	% of SBU	71.34%		67.19%
Distributed		28.33	-12.34%	32.31
	% of SBU	28.66%		32.81%
Household Products		98.29	1.82%	96.54
	% of Total	44.42%		43.88%
Own		97.97	1.73%	96.31
	% of SBU	99.67%		99.76%
Distributed		0.32	39.48%	0.23
	% of SBU	0.33%		0.24%
Other Sales		24.16	-3.29%	24.98
	% of Total	10.92%		11.35%
Health Care Products		11.53	1.07%	11.41
	% of SBU	47.74%		45.68%
Selective		12.62	-6.96%	13.57
	% of SBU	52.26%		54.32%
Total Turnover		221.29	0.58%	220.01

During the twelve months of 2011, total group sales increased marginally. All sectors showed improved activity other than the subcategories of the distributed cosmetics and the selective division.

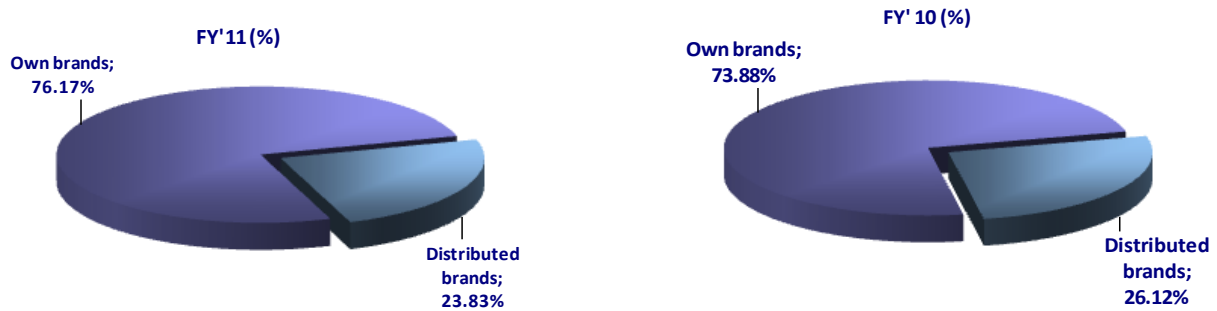
Cosmetics recorded a marginal sales growth of 0.36% amounting to €98.85 mil., from €98.49 mil., in 12M 2010.

In this SBU, the **own brands** demonstrate an increase of 6.56%, thus their contribution in this SBU's turnover was increased from 67.19% to 71.34%. The sales growth in this business unit is driven by both existing brands as well as recent launches (BIOTEN in Greece and KOLASTYNA in Poland).

Sales of Household Products increased 1.82% amounting to € 98.29 million from € 96.54 million in the corresponding period last year. Sales of **own brands** in this category rose by 1.73% while their contribution to this category's sales reached 99.67%.

The category of **Other Sales** exhibited an overall decrease of 3.29% during 12M 2011, driven by the subcategory of Selective products.

Own versus Distributed Activity Turnover Breakdown



During FY 2011, consolidated revenues of **own** brands (cosmetics and household products) amounted to €168.55 million from €162.55 million in FY 2010, increased by 3.69%. Furthermore, their contribution to the total group turnover stood at 76.17%, significantly increased in comparison to the previous year's level.

Consolidated revenues of **distributed** brands during FY 2011 amounted to €52.74 million, from €57.46 million in FY 2010, decreasing by 8.21%. Their participation to the total group sales settled at 23.83%.

FY '11 EBIT SBU Breakdown per Business Activity

<i>SBU EBIT (€ mil)</i>		<i>FY '11</i>	<i>%</i>	<i>FY '10</i>
Cosmetics		4.88	33.07%	3.66
	Margin	4.93%		3.72%
	% of EBIT	30.93%		20.89%
	Own	4.58	65.18%	2.77
	Margin	6.50%		4.19%
	% of EBIT	29.06%		15.81%
	Distributed	0.29	-67.01%	0.89
	Margin	1.04%		2.75%
	% of EBIT	1.86%		5.07%
Household Products		5.77	-20.08%	7.22
	Margin	5.87%		7.48%
	% of EBIT	36.58%		41.13%
	Own	5.78	-20.10%	7.24
	Margin	5.90%		7.52%
	% of EBIT	36.67%		41.25%
	Distributed	-0.01	28.50%	-0.02
	Margin	-4.63%		-9.03%
	% of EBIT	-0.09%		-0.12%
Other Sales		0.94	-34.53%	1.43
	Margin	3.89%		5.74%
	% of EBIT	5.95%		8.17%
	Health Care Products	1.09	-47.24%	2.06
	Margin	9.41%		18.03%
	% of EBIT	6.88%		11.72%
	Selective	-0.15	76.49%	-0.62
	Margin	-1.16%		-4.59%
	% of EBIT	-0.93%		-3.55%
Income from Affiliated Companies		4.18	-19.99%	5.23
	% of EBIT	26.54%		29.81%
	Income From Estee Lauder JV	4.18	-19.99%	5.23
	% of EBIT	26.54%		29.81%
Total EBIT		15.77	-10.13%	17.55
	Margin	7.13%		7.98%

The Group's operating earnings decreased during the FY 2011 by 10.13%, reversing the upward trend of the first nine months.

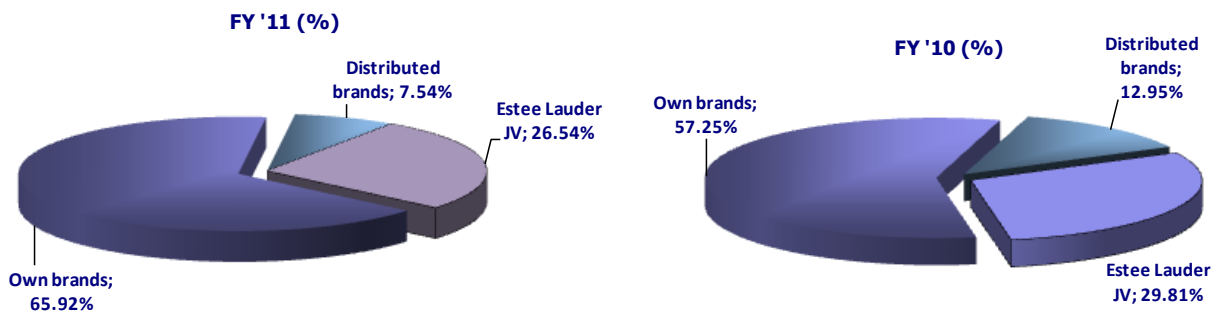
Cosmetics EBIT increased in FY 2011 by 33.07% reaching € 4.88 million from €3.66 million in FY 2010. The Cosmetics EBIT margin during FY 2011 settled at 4.93% vs 3.72% in FY 2010. This category's contribution to total EBIT rose to 30.93% from 20.89% same period last year.

The operating profits of **own brands** within this category increased by 65.18% during FY 2011 standing at €4.58 million from €2.77 million in FY 2010.

The EBIT of **Household Products** reduced 20.08% during the FY 2011 to €5.77 million from €7.22 million in FY 2010. The EBIT margin of the household products stood at 5.90% during FY 2011 from 7.52% in FY 2010. The **own brands** of this category presented a declining EBIT of 20.10 % amounting to €5.78 million. The decrease in EBIT is due to higher production costs because of the increased prices of raw materials, aluminum and plastic.

The income from the Estee Lauder JV stood at €4.18 mil., during FY 2011, down by 19.99% versus the same period last year, but significantly improved compared to the first half of 2011 when it stood at €0.45 mil.

Own vs Distributed EBIT Breakdown



The Own brands portfolio, generated income of €10.40 million in FY 2011 versus €10.04 million in FY 2010, increased by 3.49%. The contribution of **own brands** (cosmetics and household products) to the total EBIT during FY 2011 stood at 65.92%.

EBIT of **distributed brands** during FY 2011 amounted to €1.19 million, from € 2.27 million in the corresponding period last year, posting a 47.68% decrease. Their contribution to total EBIT corresponded to 7.54% from 12.95%. In addition, Estee Lauder JV presented EBIT of € 4.18 million, thus contributing by 26.54% to the Group's EBIT.

CONSOLIDATED REGIONAL ANALYSIS

FY '11 Turnover Breakdown per Geographic Market

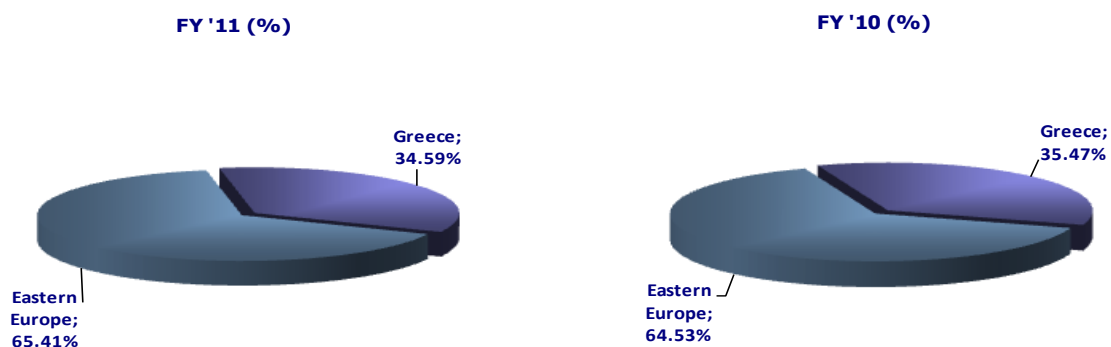
Country Turnover (€ mil)-	FY '11	%	FY '10
Greece	76.54	-1.91%	78.03
% of Total Turnover	34.59%		35.47%
Poland	67.94	2.48%	66.29
Romania	35.42	-5.97%	37.67
Bulgaria	10.04	-13.80%	11.65
Serbia	13.09	18.24%	11.07
Czech Republic	7.25	20.17%	6.04
Hungary	8.31	25.73%	6.61
FYROM	2.69	1.89%	2.64
Foreign Countries Subtotal	144.75	1.95%	141.98
% of Total Turnover	65.41%		64.53%
Total Turnover	221.29	0.58%	220.01

The Group's consolidated turnover was mainly supported by the Group's foreign markets and by the Greek market. Despite the adverse economic environment in Greece and the drop in the Greek retail sector sales, Sarantis Group local market managed limit the sales' decrease to 1.91% while amounting to €76.54 mil., from €78.03 mil.

As far as the foreign markets of the Group are concerned, turnover was up by 1.95% to €144.75 mil from €141.98 mil in FY 2010.

It is also worth to note that the currency movements had considerable impact in the Foreign Countries turnover during the last quarter, (increase by 3.47% in local currency and c. 1.52% average currency devaluation). This impact seems to normalize during the first quarter of 2012.

Greek and Eastern European Market Turnover breakdown Analysis



During FY 2011, the foreign countries contribution to the Group's sales stood at 65.41%, marginally increased in comparison to FY 2010.

FY '11 EBIT Breakdown per Geographic Market

<i>Country EBIT (€ mil) – Cont. Activities</i>	<i>FY '11</i>	<i>%</i>	<i>FY '10</i>
Greece	8.32	-14.43%	9.73
% of Total Ebit	52.79%		55.45%
Poland	3.74	-5.94%	3.98
Romania	1.45	-45.16%	2.64
Bulgaria	0.60	18.63%	0.50
Serbia	1.74	43.04%	1.22
Czech Republic	-0.24	34.68%	-0.37
Hungary	-0.37	48.22%	-0.71
FYROM	0.53	-5.55%	0.56
Foreign Countries Subtotal	7.44	-4.77%	7.82
% of Total Ebit	47.21%		44.55%
Total EBIT	15.77	-10.13%	17.55

The Group's operating profit has been decreased by 10.13% during the FY 2011, attributed mainly by both Greek and Romanian market.

The **Greek** EBIT in FY 2011 was decreased by 14.43% to €8.32 mil., from €9.73 mil, in FY 2010.

Excluding the income from the Estee Lauder JV, Greek EBIT during FY 2011 amounted to €4.14 mil from €4.50 mil, down by 7.97%.

Greek EBIT margin, excluding Estee Lauder JV, stood at 5.41% from 5.76% in the respective period of 2010.

The **foreign countries** posted a decrease in EBIT of 4.77% during FY 2011, amounting to €7.44 mil., from €7.82 mil. Foreign countries EBIT margin during FY 2011 stood at 5.14% from 5.51% same period last year.

NEWS FLOW UP TO THE RELEASE DATE OF THE FY 2011 CONSOLIDATED FINANCIAL RESULTS

- On 31/05/2011 Sarantis Group proceeded to the acquisition of the Hungarian household products brand DOMET. DOMET is present in the cleaning tools category and its product portfolio includes scourers, mops, wipes, etc. DOMET is the 2nd branded player in the market with almost 20 years of history. The category of cleaning tools, from which Sarantis has been previously absent, is seen as an investment opportunity by Sarantis management given the particular category has a considerable contribution in the market where Sarantis operates and since the international players and the private labels are still absent from this segment. 2010 sales from DOMET amounted to c. 3.2 mil. The transaction cost of this acquisition amounted to 2 mil. EUR.
- On 02/06/2011 Sarantis Group proceeded to the acquisition of 100% of the shares of "D. KOUKOUZELIS LTD". Through this acquisition, the group acquired the distribution of "PIC" and "SERENITY" products, both brand names of "ARTSANA Group", and also the Japanese sphygmomanometers "ALPK2". Their turnover in 2010 amounted to 2.5 million euros. According to the business plan that has been prepared, the group intends to focus in the part of the customers that represents 2.2 million euros, which is expected to be increasing in coming years, contributing to the profitability at the level of 20% EBIT margin, due to high synergies in this distribution channel. The price of the acquisition was set at 0.52 million euros. Through this acquisition, Sarantis Group enhances its product portfolio, acquires market shares in market segments that previously was not active and increases the growth potential of the Health & Care division.
- On 19/07/2011 Sarantis Group proceeded to the acquisition of the Serbian household products brand TOPSTAR. TOPSTAR is present in the cleaning tools category and its product portfolio includes scourers, mops, wipes, gloves, garbage bags, etc. TOPSTAR has been the best seller in the Serbian market for over 10 years. TOPSTAR is also present in Bosnia-Herzegovina, where Sarantis already has export activity. The category of cleaning tools, in which Sarantis recently penetrated through the acquisition of the Hungarian household products brand DOMET, is seen as an investment opportunity by Sarantis management given the particular category has a considerable contribution in the market where Sarantis operates and since the international players and the private labels are still absent from this segment. 2010 sales from TOPSTAR amounted to c. 4 mil. EUR. TOPSTAR's estimated EBIT margin stands at around 16% after synergies.
- Within the context of its strategic development and aiming to further reinforce its product portfolio Sarantis Group undertakes the exclusive distribution of the brands KOLYNOS, ACT, DENIM, TESORI D'ORIENTE, VIDAL and LEOCREMA from 02/11/2011. The aforementioned products belong to the category of personal care products and were previously distributed by the company Notos Com. Starting from 02/11/2011 Sarantis Group will be the exclusive distributor of these products distributing them in its existing network in Greece and Cyprus, while no cost was assumed by the company for this change. Sales recorded from these products in 2010 amounted to 1.1 mil. euros.
- Within the context of its strategic development and aiming to further reinforce its product portfolio Sarantis Group undertook the exclusive distribution of the brand VAPONA from 21/12/2011. VAPONA belongs to the category of insecticides and particularly consists of anti-moth products and crawling and flying insect killer products. VAPONA products are in top position in Greece in the category of anti-moth products having a market share of 39% and the estimated annual sales may vary from 3 to 5 million euros. The VAPONA brand had been owned by Sara Lee, while was acquired by Spotless Group. Sarantis Group will be the exclusive distributor of these products distributing them in its existing network in Greece. No cost was assumed by the company.

OBJECTIVES AND PROSPECTS

Sarantis Group consolidated turnover during the FY 2011 was marginally increased supported mainly by the operations of the Group's foreign countries and less but not least by the Greek market. The increase in production costs due to rising raw material prices negatively impacted the gross profit. Equally important was the negative impact of exchange rates on the turnover of affiliates, but which seems to be flattened in the first quarter of 2012. However, the generally positive performance of the Group resulted in the preservation of EBIT margins close to last year's levels.

The adverse conditions in the economic environment remained during the FY 2011, while the situation is not expected to improve in the foreseeable future. The management still focuses on aligning the cost structure with the expected revenues, and adjusts the product portfolio with the consumer trends.

The management remains dedicated to its policy, for sound capital structure, low net debt, containment of operating cost and in general for efficient management of working capital, with the objective to further enhance the Group's financial position.

At the same time, the management, as always, remains focused on its strategic objectives that support and secure a profitable outlook for Sarantis Group and specifically on the following:

- Organic growth of the core business activities and emphasis on Sarantis own brands portfolio.
- Increase of the existing market shares of own brands.
- Continuous examination of the situation in the economies of the Group's countries and modification of the business where deemed necessary according to the new market conditions.
- Examine possible acquisition targets in the Group's foreign countries, as long as market share, profitability and cost structure allow for synergies. The Group's management considers that current conditions are in favor of exploring possible new acquisitions.