



Consolidated Financial results Full Year 2006

Main Points

- Financial Results for the full year 2006 are in line with the Management's strategy.
- The emphasis given towards the strategic priorities pays off.
- Sarantis places special emphasis on the strategic markets of **fragrances & cosmetics** and **household products** especially focusing upon the gradual expansion of its own product portfolio in these sectors.
- **Foreign markets** demonstrated higher growth rates as compared to the domestic market, raising their contribution to the total consolidated revenues.

Financial Highlights (€ mil)	2006	%	2005
Turnover	223.18	6.96%	208.66
Gross Profit Gross Profit Margin	110.31 49.42%	10.20%	100.09 47.97%
EBITDA EBITDA Margin	33.44 14.98%	5.31%	31.75 15.22%
EBIT EBIT Margin	29.81 13.36%	5.91%	28.15 13.49%
EBT EBT Margin	29.65 13.29%	17.28%	25.28 12.12%
Income Tax	7.36	20.36%	6.12
Profit After Tax Profit After Tax Margin	22.29 9.99%	16.29%	19.16 9.18%
Minority Interests	-0.38		-0.17
EATAM EATAM Margin	22.67 10.16%	17.28%	19.33 9.26%
EPS	0.59	17.28%	0.51

The consolidated turnover of Gr. Sarantis, for the full year 2006, amounted to 223.18 mil. euros, compared to 208.66 mil. euros in 2005, increased by **6.96%**.

It should be noted that during 2006 we observed a satisfactory growth in the two basic sectors of activity, the **fragrances & cosmetics** and the **household products**, and also a strong activity growth in the Eastern European markets.

The **Earnings before Interest and Tax (EBIT)** in 2006 amounted to 29.81 mil. euro, increased by 5.91% compared to 2005 that stood at 28.15 mil. euro.

The **Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)** reached 33.44 mil. euro in 2006, compared to 31.75 mil. Euro in 2005, increased by 5.31%. The lower increase of EBITDA compared to turnover led to the reduction of the gross margin to 14.98%, from 15.22% in the previous year.

The **Earnings before Tax** for 2006 amounted to 29.65 mil. euro compared to 25.28 mil. euro in 2005, resulting to an impressive increase of 17.28%.

The **Earnings after Tax and Minorities (EATAM)** reached 22.67 mil. euro, compared to 19.33 mil. euro in, increased by **17.28%**.

Business Activity Analysis

Consolidated turnover breakdown per business activity is reported through four categories: **fragrances & cosmetics**, **household products**, **health & care products** and the **strategic alliances**.

The own products managed a very successful growth and especially in the sectors of fragrances & cosmetics and household products.

Analysing the turnover of Sarantis per sector of activity, we observe that the main sectors of activity, the **fragrances & cosmetics**, the **household products** and the **health & care products**, reported a satisfactory rate of growth +18.82%, +9.43% and +4.28% respectively. The fragrances & cosmetics represent the 39.15% of the total consolidated turnover of Sarantis, followed by **household products** that contribute the 37.27%. The sales of **strategic alliances** products contribute the 14.67% to total turnover, and the **health & care products** the 8.92%. The significant increase of own products that amounts to 20.23% for the fragrances & cosmetics and 8.38% for household products is worth mentioning.

With respect to EBIT the largest contribution in 2006 came from the **strategic alliances** with 38.56% followed by **fragrances & cosmetics** with 25.62%. The **household products** contributed with 25.41% followed by **health & care products** with 10.41%.

The EBIT breakdown for **fragrances & cosmetics and household products between own products and distributed products** results to 13.20 mil. euro for the **own products**, compared to 14.12 mil. euro in 2005, a decrease of 6.51%.

Geographic market Analysis

Analysing the geographic distribution of Sarantis turnover, we observe that the turnover in the **Greek market** represent the 49.20% of total turnover, while the remaining 50.80% (113.37 mil. euro), represents the Group's turnover in foreign markets. It is noted that compared to 2005, Sarantis turnover in the old countries increased by 18.38%, the turnover in the new countries increased by 129.46% whereas turnover in Greece decreased by 4.74%.

Sarantis holds leading 'packaging product' position in Greece but also in Bulgaria, Romania, Serbia, FYROM & Poland. Also it holds leading position in the 'fragrances & cosmetics' market in Bulgaria, Romania, Serbia & FYROM.

The most important foreign markets in terms of growth remain those of **Turkey** (+42.75%), **Czech Republic** (+34.65%), **Serbia** (+27.88%) and **Bulgaria** (24.39%), while the markets of **Russia** and **Hungary** started creating income in comparison to 2005.

At the same time, the Management also examines the possibility for acquisitions in the new markets it operates, in every sector that has a strategic priority for the company.

Analysing the geographical distribution of Sarantis' EBIT we observe satisfactory results in **Greece** that reported a significant increase by 14.94% reaching €23.36 mil. euro, with the old markets also reporting significant increase by 17.57%.