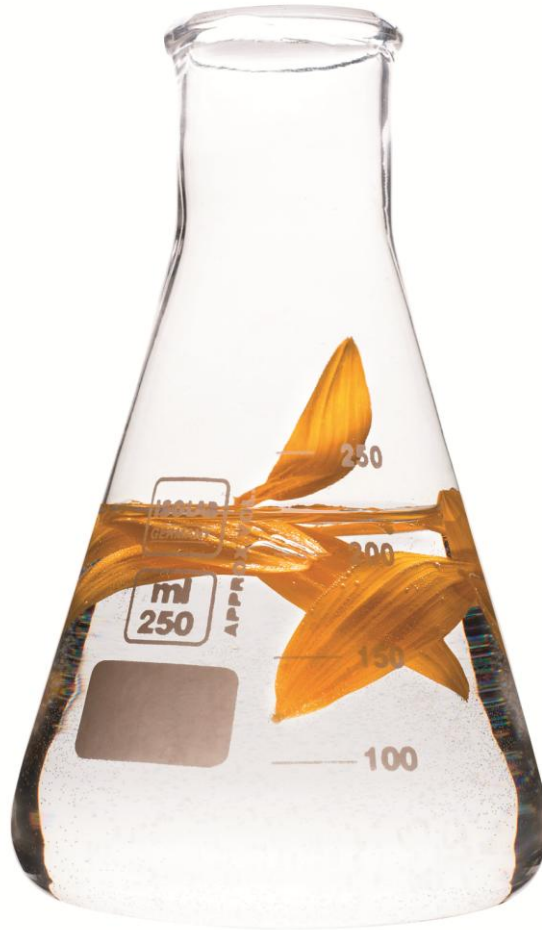


EST. KORRES 1996

KORRES GROUP FY 2014 FINANCIAL RESULTS



FY 2014 Major Highlights

- **Substantial growth in Consolidated Sales: +29%.**
- **+16% growth in Operational profitability (Adjusted EBITDA).**
- **Strong Operational Cash flow at +8.4mln EUR .**
- **Further Net Debt reduction: -19% .**
- **Strong growth in the international markets: 108%.**
- **Key European Countries (Germany, UK, Spain, France and Scandinavia) avg. Growth of 49%**
- **Further growth in Greece: +2%**

LAUNCHES 2014

-**Face/WildRose** : a new cream CC – Wild Rose Colour Correcting Cream SPF30/ targeted promo actions in pharmacies, offering complete solutions of high quality at reasonable prices.

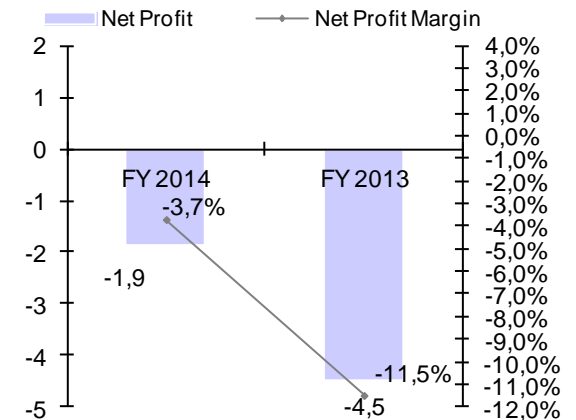
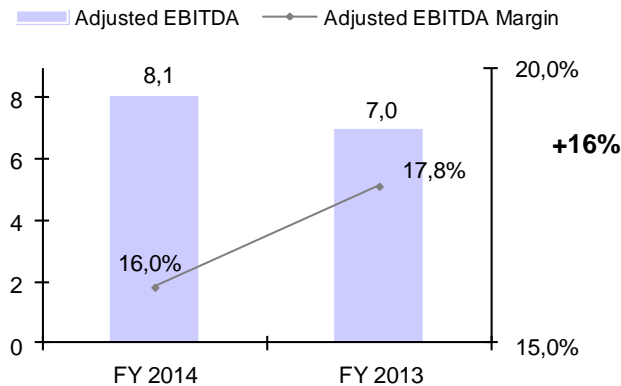
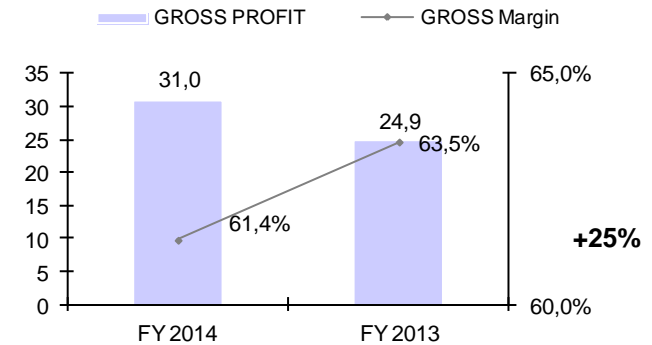
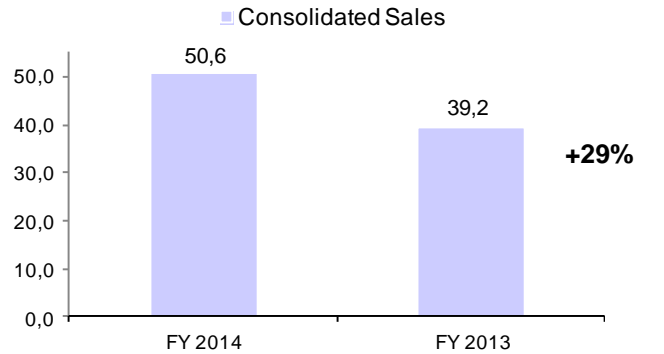
-**Hair category**: focused in the communication (TV& Print) of the **new revolutionary range of hair colorants, Argan Oil Advanced Colorant** , the unique technology pigment-lock , locking the color in hair while moisturizing it in depth.

- **Body care**: The new Santorini Vine collection (shower gel & body lotion), a result of the co operation of Korres with the Association of Santorini Co operatives (SantoWines). In the category of fragrances, presented two new Sku's, offering in total a collection of 10 fragrances.

- **Sun care**: the new after sun product with real edible Greek Yogurt (Korres innovation).

Group FY 2014 Financial Results at a Glance

- **Sales: +29%**, €50,6m from €39,2m in 2013.
- **Adjusted EBITDA** (excluding the extraordinary restructuring cost impact): **+16%**, €8,1m from €7,0m in 2013.
- **Reported EBITDA: +27%**, €5,1m from € 4,0m in 2013.
- **EAT & MR** : -€1,9m vs - € 4,5m in 2013.

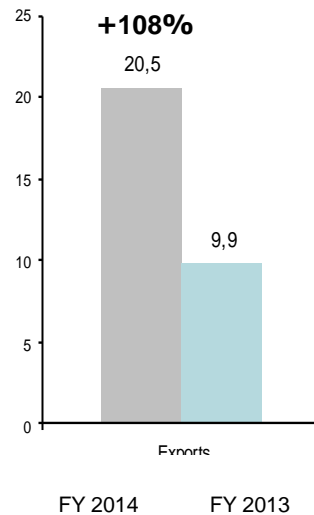
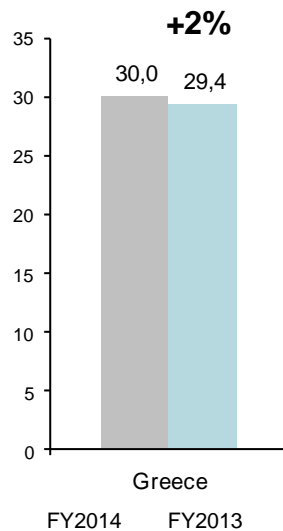


FY 2014- Market Development

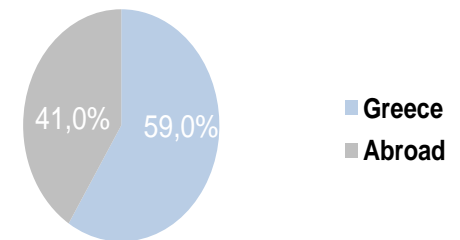


FY 2014 Regional Analysis

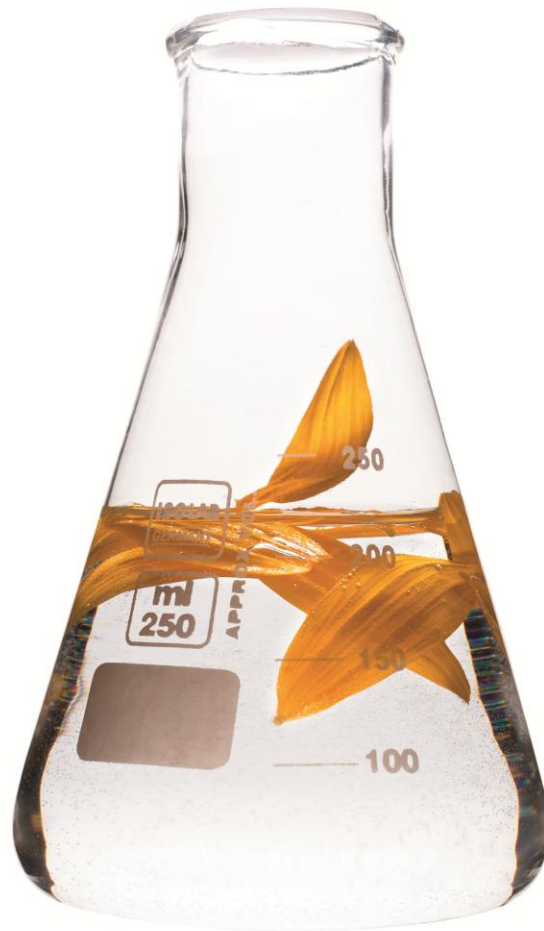
- Greek sales, **increased by 2%**, following the strong performance of its strategic categories and the enhanced promo actions.
- **+108% growth in the international markets**, mainly coming from the US market where the Group sells directly its products through its new subsidiary as well as the good performance of the key markets in Europe. In particular, Germany, UK, France, Spain and Scandinavia presented an average sales growth of 49% vs 2013.



Sales FY 2014 Beakdown by Region



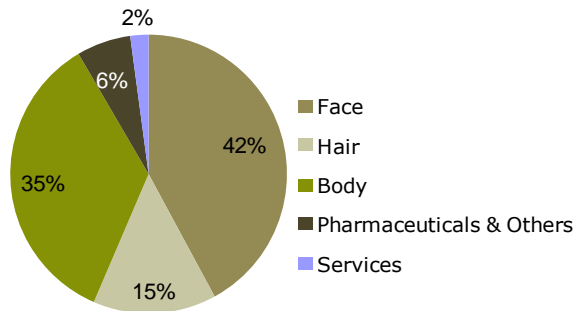
FY 2014- BU Development



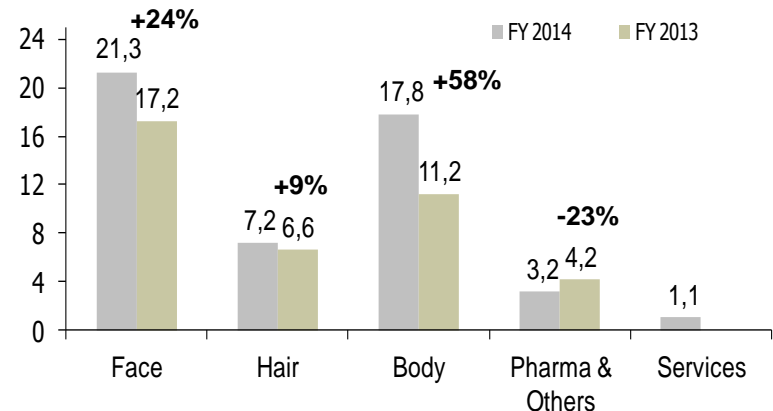
FY 2014 Sales Growth by BU

- **Face & Color products. +24% increase**, mainly coming from the US market and key European markets such as UK, Spain, Germany, France and Scandinavia.
- **Body products : strong +58% growth** coming from the strong performance of the category both in Greece (+28%) and abroad (+107%). Particularly, in Greece, core body products presented significant growth 28% due to the successful promo actions and the launch of the new Santorini Vine collection. Double digit growth in the Sun care products and Fragrances. Abroad US, France, UK , Spain and Germany were the major contributors of the international growth.
- **Hair products: +9% increase**, driven by the successful communication plan of the category and the strong performance of colorants. Especially in colorants, we had the launch of the new revolutionary Argan oil advanced colorant.
- **Pharmaceutical & others: -23%**, following the results from the SKU rationalization project.
- **Services: Mainly towards AVON**

FY 2014 SBU Turnover Breakdown



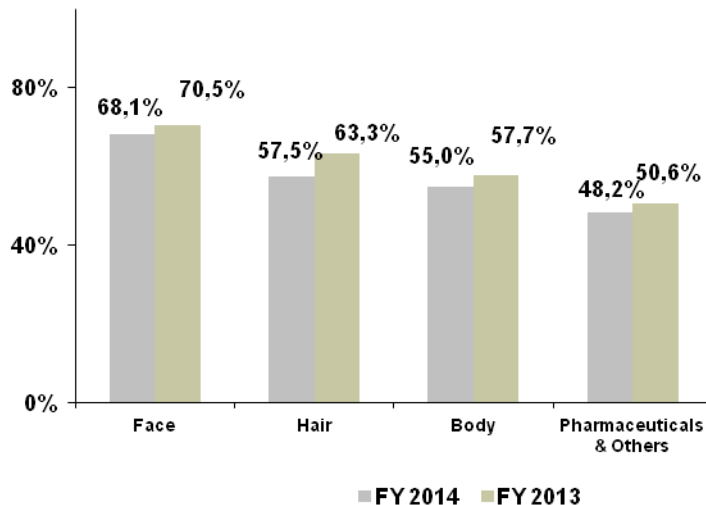
Consolidated SBU Turnover Analysis (€ mil.)



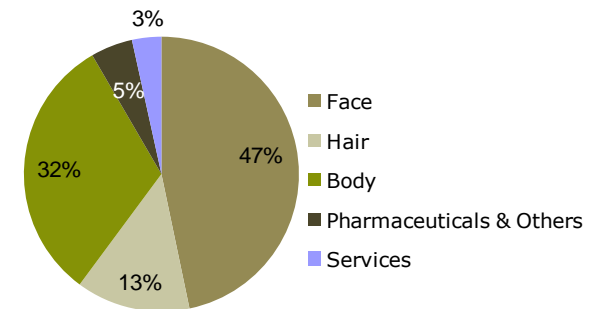
FY 2014 Gross Profit Analysis

- Group's GM% was 61,4% in FY 2014 from 63,5% in FY 2013, due to the higher contribution of international sales and targeted promotional activities in Greece.
- GM% in Face & color category reached 68,1% in 2014 from 70,5%, due to country mix and increased promo actions.
- Hair GM% reached 57,5% from 63,3%, coming mainly from increased promo actions .
- Body GM% was 55,0% from 57,7% in FY 2013 due to product and country mix.
- Pharmaceuticals & Others GM% fall coming from enhanced promo actions.

Consolidated SBU Gross Profit Analysis (€ mil.)



FY 2014 SBU GP Breakdown



Group FY 2014 Financial Position Highlights

<i>In m €</i>	FY 2014	FY 2013
ST Debt	12,3	12,6
LT Debt	19,6	22,0
TOTAL Debt	31,9	34,6
Net Debt	22,4	27,6

Group FY 2014 Cash Flow Highlights

Cash Flow (€ m)	FY 2014	FY 2013	Change (%)
Operating Cash Flow	8,4	7,7	9%
Investment Cash Flow	-2,6	-2,9	-11%
Financing Cash Flow	-3,3	-3,2	3%
Net Change in Cash	2,5	1,6	56%
Cash and Cash Equivalents, Beginning of the Period	6,9	5,3	31%
Cash and Cash Equivalents, End of the Period	9,5	6,9	37%

APPENDIX



P&L STATEMENT (FY 2014 VS FY 2013)

P&L	FY 2014	FY 2013	Change (%)
Revenues	50,6	39,2	28,8%
Cost of goods sold	-19,5	-14,3	36,3%
Gross Profit	31,0	24,9	24,5%
Gross Margin (%)	61,4%	63,5%	-3,3%
Operating Expenses	-30,8	-26,2	17,6%
Adjusted EBITDA (before restructuring cost impact)	8,1	7,0	15,6%
Adjusted EBITDA Margin (%)	16%	18%	-10,3%
Reported EBITDA	5,1	4,0	27,2%
EBITDA Margin (%)	10,1%	10,2%	-1,2%
Depreciation and Amortization	4,9	5,3	-7,7%
EBIT	0,2	-1,27	-118,2%
Operating Margin (%)	0,5%	-3,2%	-114,2%
Net Interest Income/Expenses	-2,3	-2,5	-6,5%
Investment Results	-0,67	-0,1	822,1%
Earnings Before Tax (EBT)	-2,7	-3,8	-27,8%
EBT Margin (%)	-5,4%	-9,7%	-44,0%
Tax	0,6	-0,8	-167,7%
Earnings After Taxes (EAT)	-2,2	-4,6	-52,9%
Minority rights	-0,3	-0,1	137,7%
Reported Earnings after Taxes and Minorities (EATAM)	-1,9	-4,5	-58,7%
Reported EATAM Margin (%)	-3,7%	-11,5%	-67,9%

BALANCE SHEET (2014 VS 2013)

Balance Sheet (€ m)	FY 2014	FY 2013	Change (%)
Assets			
Property, Plant and Equipment	16,2	17,6	-7,7%
Intangible Assets	6,9	7,7	-10,2%
Investments in Subsidiary & Associated Companies	7,5	8,1	-7,3%
Financial Assets for Sale	0,3	0,4	-18,9%
Goodwill	0,3	0,3	-3,4%
Deferred Taxation	0,5	0,4	47,0%
Other Long-Term Receivables	0,1	0,1	-6,9%
Total Non-Current Assets	32,0	34,7	-7,7%
Inventories	16,9	16,7	0,7%
Customers and Other Receivables	10,9	11,0	-0,4%
Cash and Cash Equivalent	9,5	5,3	78,3%
Total Current Assets	37,3	34,7	7,5%
Total Assets	69,3	69,4	-0,1%
Shareholder's Equity and Liabilities			
Share Capital	5,3	5,3	0,0%
Paid up Capital	16,7	16,7	0,0%
Reserves	0,7	0,7	-1,2%
Retained Earnings	-5,8	-3,8	52,9%
Shareholders' Equity to the Shareholders of the Company	17,0	19,0	-10,6%
Minority Interest	-0,96	-0,63	51,1%
Total Shareholders Equity	16,0	18,3	-12,7%
Long-term Loans	19,6	22,0	-10,8%
Deferred Tax Liabilities	0,0	1,1	-95,9%
Retirement Benefit Obligations	1,0	0,6	67,6%
Total Long-Term Liabilities	20,6	23,6	-12,7%
Suppliers and Other Liabilities	20,3	13,7	48,2%
Short-Term Loans	12,3	12,6	-2,3%
Current Tax Liabilities	0,1	1,1	-90,3%
Total Current Liabilities	32,7	27,4	19,3%
Total Liabilities	53,3	51,0	4,5%
Total Shareholder's Equity and Liabilities	69,3	69,4	-0,1%

THANK U

