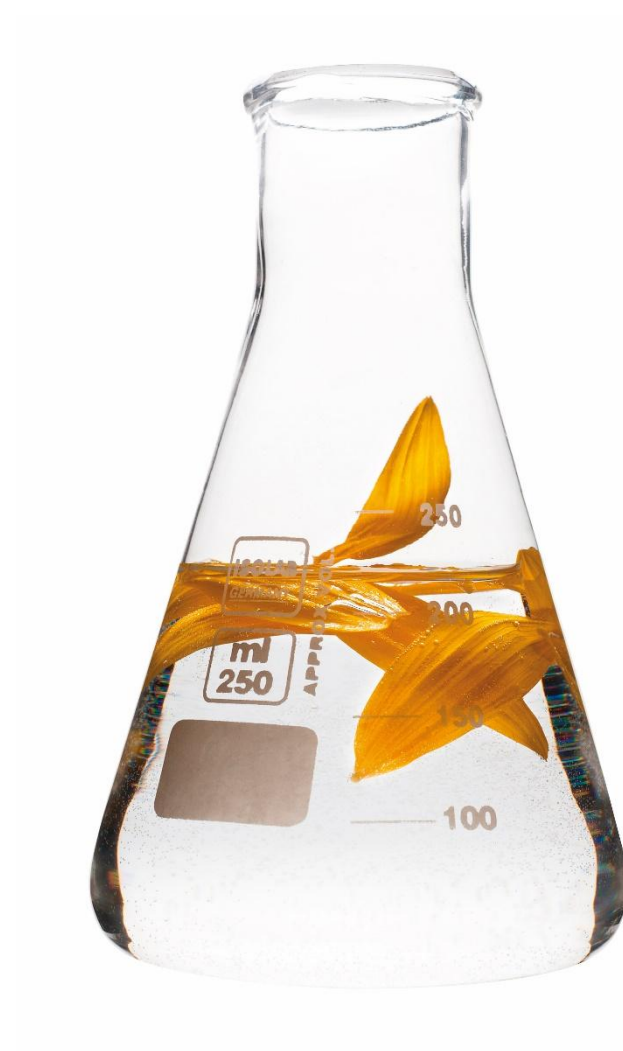


KORRES GROUP H1 2016 FINANCIAL RESULTS



H1 2016 Major Highlights

- **+2% growth in Consolidated Sales**
- **+7% Growth in the Key international markets: US, Germany, UK, and Norway**
- **Gross Profit margin improvement by 470bps**
- **Further Operating profitability improvement**
- **+91% growth in net profitability**
- **Operating cash flow Improvement**
- **Focusing in Research and Development of new innovative products**

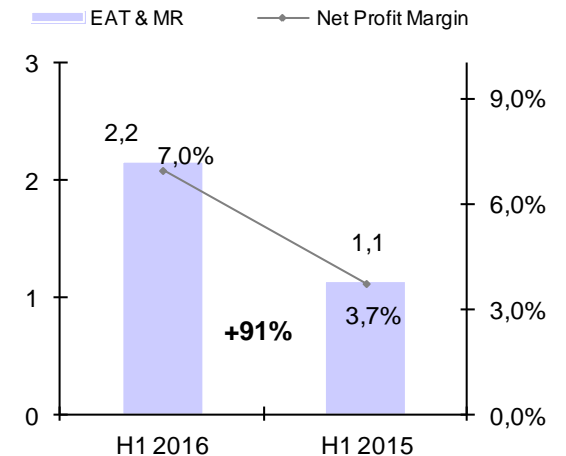
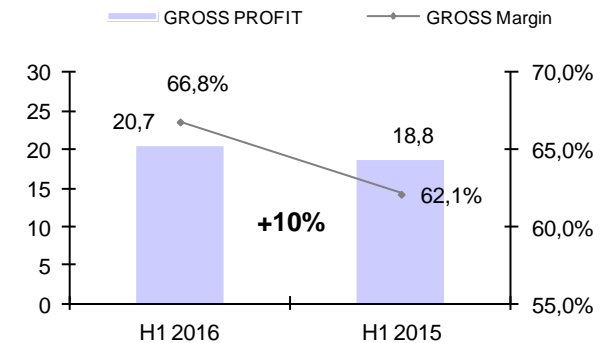
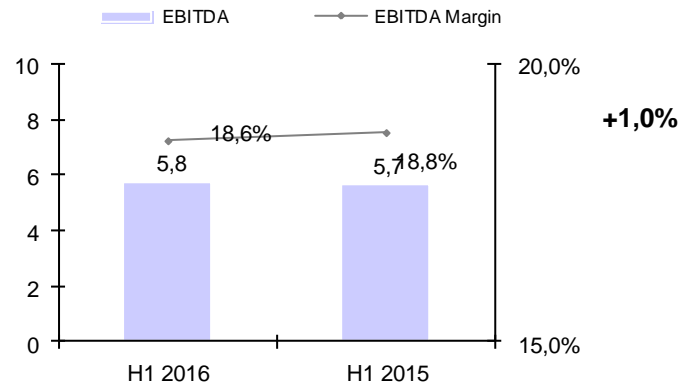
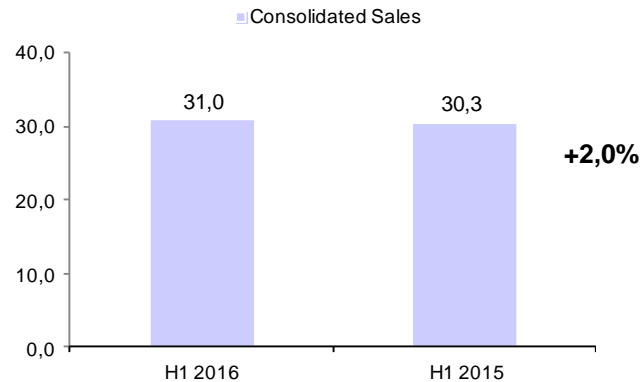
Face/Anti ageing: the new global innovation Castanea Arcadia collection. This came from the largest research on world's natural ingredients – a Greek scientists' initiative led by KORRES and the Faculty of Pharmacy of the University of Athens – highlighted Castanea (Arcadian Chestnut tree) as one of the top performing antioxidant plants worldwide, leading to an innovative antiwrinkle molecule developed by KORRES Lab, based on the potent antiageing power of pure lupeol for the first time in cosmetics.

Hair: the Abyssinia Superior Gloss Colorant with the exclusive Pigment-lock technology is the most recent addition to the brand's portfolio, following on from the successful launch of Argan Oil Advanced Colorant.

Suncare: new launches focused on the new generation Red Grape suncare and kids sun protection

Group H1 2016 Financial Results at a Glance

- **Sales: +2%**, €31,0m in H1 2016 from €30,3m in H1 2015.
- **Gross Margin: +470bps**, 67% in H1 2016 from 62% in H1 2015.
- **EBITDA: +1%**, €5,8m in H1 2016 from € 5,7m in H1 2015.
- **EAT & MR : +91%**, €2,2m in H1 2016 vs €1,1m in H1 2015.

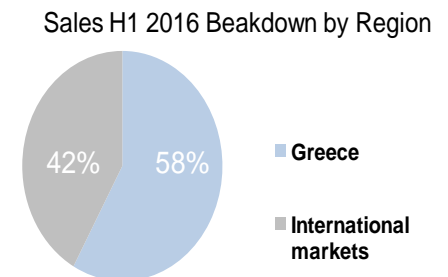
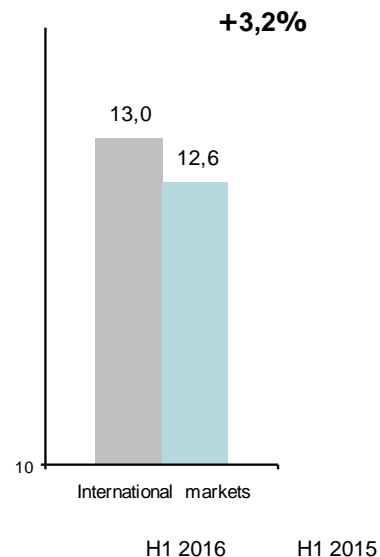
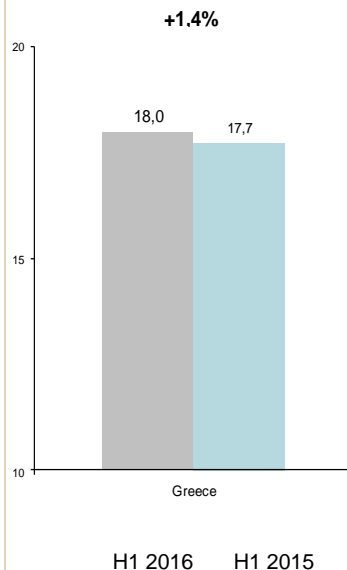


H1 2016- Market Development



H1 2016 Regional Analysis

- Greek sales, **increased by 1,4%** reflecting the successful launch of new innovative products in strategic categories combined with the positive result of its completed communication and promotional plan in the pharmacy channel.
- **+3,2% growth in the international markets**, with key drivers the US, Germany, UK and Norway which on average grew by 7%.



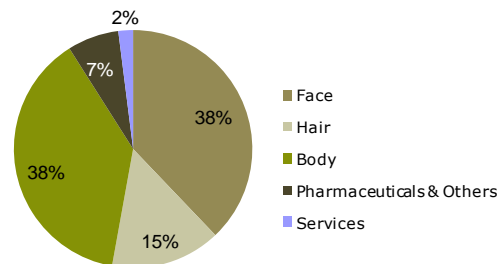
H1 2016 BU Development



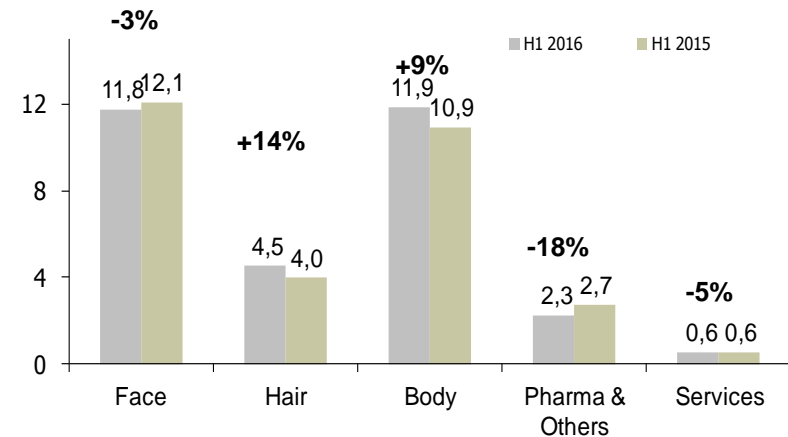
H1 2016 Sales Growth by BU

- **Face & Color products:** -3%, coming from the Color products following new launches phasing between 2015 and 2016. Face products category was 10% higher than last year. In the international markets the combined category grew by 12% and in the key markets such as US, UK, Germany and Norway, category's growth was 24%.
- **Body products : +9% growth** coming from the good performance of the category both in the International markets and Greece.
- **Hair products: +14% growth** coming from the successful launch of the new permanent professional colorant Abyssinia Superior Gloss Colorant based on the exclusive technology of Pigment-lock.
- **Pharmaceutical & others:** -18% mainly due to airline products agreement phasing and SKU rationalization efforts.

H1 2016 SBU Turnover Breakdown

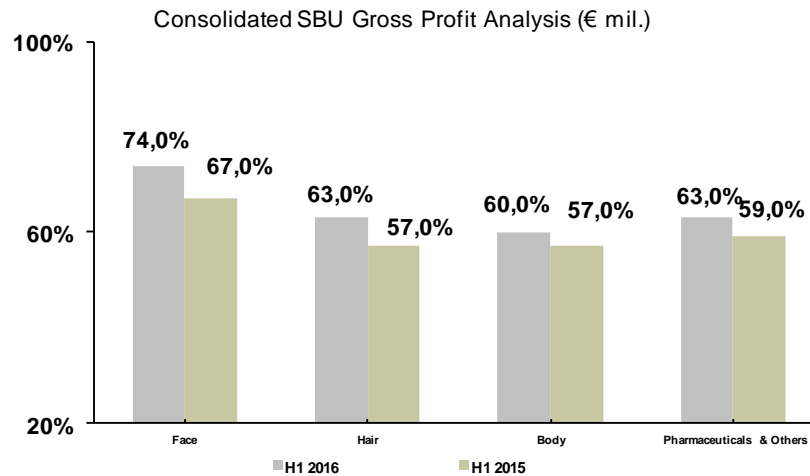


Consolidated SBU Turnover Analysis (€ mil.)

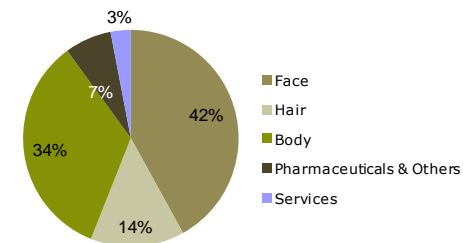


H1 2016 Gross Profit Analysis

- Group's GM%, increased by 470bps, reaching 67% in H1 2016 from 62% in H1 2015 due to higher added value sales mix, lower promo actions, the successful cost reduction efforts and the implemented commercial policy.
- GM% in Face & color category reached 74% in H1 2016 from 67,0% in H1 2015 due to product and country mix optimization.
- Hair GM% increased to 63,0% from 57,0% in H1 2015 as a result of the increasing participation of higher gross margin products .
- Body GM% was 60,0% from 57,0% in H1 2015 due to product mix and lower promo actions.
- Pharmaceuticals & Others GM% was 63,0% from 59,0% due to product mix.



H1 2016 SBU GP Breakdown



H1 2016 Financial Position Highlights

<i>In m €</i>	H1 2016	2015
ST Debt	15,0	12,2
LT Debt	13,8	16,4
TOTAL Debt	28,8	28,6
Net Debt	22,0	23,5

Group H1 2016 Cash Flow Highlights

Cash Flow (€ m)	H1 2016	H1 2015
Operating Cash Flow	3,2	1,4
Investment Cash Flow	-1,7	-2,0
Financing Cash Flow	0,1	-2,0
Net Change in Cash	1,7	-2,6
Cash and Cash Equivalents, Beginning of the Period	5,2	9,5
Cash and Cash Equivalents, End of the Period	6,8	6,9

APPENDIX



P&L STATEMENT (H1 2016 VS H1 2015)

P&L	H1 2016	H1 2015	Change (%)
Revenues	31,0	30,3	2%
Cost of goods sold	-10,3	-11,5	-11%
Gross Profit	20,7	18,8	10%
Gross Margin (%)	66,8%	62,1%	8%
Operating Expenses	-17,1	-15,5	11%
EBITDA	5,8	5,7	1%
EBITDA Margin (%)	18,6%	18,8%	-1%
Depreciation and Amortization	2,2	2,3	-6%
EBIT	3,6	3,4	6%
Operating Margin (%)	11,5%	11,1%	4%
Net Interest Income/Expenses	-1,0	-1,1	-8%
Investment Results	0,0	-0,6	-91%
Earnings Before Tax (EBT)	2,5	1,7	47%
EBT Margin (%)	8,2%	5,7%	44%
Tax	-0,5	-0,7	-29%
Earnings After Taxes (EAT)	2,0	1,0	99%
Minority rights	-0,1	-0,1	7%
Earnings after Taxes and Minorities (EATAM)	2,2	1,1	91%
EATAM Margin (%)	7,0%	3,7%	87%
EPS	0,16	0,08	91%

BALANCE SHEET (H1 2016 VS 2015)

Balance Sheet (€ m)	H1 2016	FY2015	Change (%)
Assets			
Property, Plant and Equipment	14,5	14,9	-2,8%
Intangible Assets	6,5	6,6	-1,7%
Investments in Subsidiary & Associated Companies	0,3	0,3	-15,9%
Financial Assets for Sale	0,2	0,2	10,0%
Goodwill	6,8	6,8	0,0%
Deferred Taxation	1,2	1,2	1,3%
Other Long-Term Receivables	0,2	0,2	-19,3%
Total Non-Current Assets	29,6	30,2	-1,9%
Inventories	17,7	19,2	-7,5%
Customers and Other Receivables	12,3	8,5	44,8%
Cash and Cash Equivalent	6,8	5,2	32,8%
Total Current Assets	36,9	32,8	12,4%
Total Assets	66,5	63,0	5,5%
Shareholder's Equity and Liabilities			
Share Capital	5,3	5,3	0,0%
Paid up Capital	16,7	16,7	0,0%
Reserves	1,5	1,1	38,9%
Retained Earnings	-5,2	-7,0	-24,6%
Shareholders' Equity to the Shareholders of the Company	18,3	16,1	13,2%
Minority Interest	-1,23	-1,12	10,3%
Total Shareholders Equity	17,0	15,0	13,4%
Long-term Loans	13,8	16,4	-15,6%
Deferred Tax Liabilities	0,4	0,7	-31,7%
Retirement Benefit Obligations	1,0	1,0	5,9%
Total Long-Term Liabilities	15,3	18,0	-15,0%
Suppliers and Other Liabilities	17,4	16,6	4,6%
Short-Term Loans	15,0	12,2	22,5%
Current Tax Liabilities	1,8	1,1	59,4%
Total Current Liabilities	34,2	30,0	14,0%
Total Liabilities	49,5	48,0	3,1%
Total Shareholder's Equity and Liabilities	66,5	63,0	5,5%

THANK YOU

