Website:	www.korres.com
Bloomberg code:	KORRES:GA
Reuters code:	KRRr.AT
ISIN code:	GRS494003007

COMPANY PROFILE

KORRES emerged in 1996 out of Athens' first ever homeopathic pharmacy where George, company's founder, used to work; its first KORRES product was an aromatic herbal syrup with honey and aniseed, a recipe inspired by "rakomelon", a warming spirit-with-honey concoction, which George's grandfather used to favour in his hometown on the island of Naxos. Korres' first global innovation and first ever skincare product was the Wild Rose 24-hour cream – still a best-seller all over the world

Today the KORRES portfolio includes over 400 natural and certified organic products, featuring a skin & hair care range, a make-up line as well as sun care products and herbal preparations

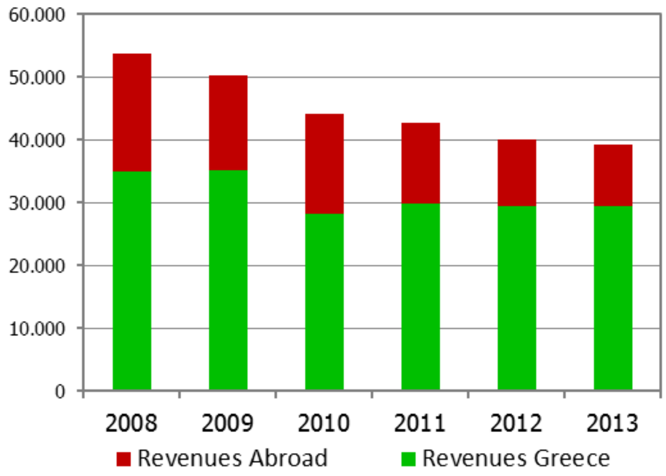
The company operates in the production, (either in-house or in third parties), distribution and trading of cosmetics, pharmaceutical and dietary products. The company's philosophy is to design products, avoiding the use of specific synthetic compounds, replacing them with equally effective, beneficial and skin-friendly natural ingredients.

Korres brand has presence in 30 countries worldwide with its products being distributed in over 11,000 points of sales including an extensive network of 6,500 pharmacies in Greece and 17 Korres stand-alone stores in cities such as Paris, Frankfurt, Madrid, Prague, Brussels and also Singapore.

Korres trades its products also in North America through its new subsidiary Korres USA Ltd, getting full control of distribution, building on its existing customer base (i.e. Sephora, HSN), targeting stronger presence, exploiting untapped future potential in this market.

Korres completed successfully an important strategic agreement with AVON for Latin America. This strategic alliance can expand up to 14 years with the option to purchase all intellectual property for the Latin America territory. By this agreement Korres is approaching an extensive sales network while enhancing its financial position ($11,5m in the first twelve months) for the next years.

REVENUES ANALYSIS (in € 000)



- ✓ 25 % of Group's sales are realized abroad.
- ✓ Strong Operational Cash flow in 2013 +7.7mln EUR.
- ✓ Significant Net debt reduction
- ✓ Market Share improvement in the Pharmacy Channel in Greece by 40bps.
- ✓ Development in all key product categories such as Face, Body and Sun Care products
- ✓ Further Growth in the major export European markets - Germany, UK, Russia, France and Scandinavia.
- ✓ Successful new product launches- the new Serum Black Pine in the anti-ageing face collection and the new generation of anti-ageing and anti-spot sun care based on plant stem cells sun care product Red Grape.

KEY INVESTMENT HIGHLIGHTS

- ✓ Active in a growing segment of the cosmetic market_Natural
- ✓ Long standing experience in Pharmacies, Herbs and Homeopathy
- ✓ Unique position in the market
- ✓ Successful, Innovative R&D team
- ✓ Strong portfolio of 400 innovative herbal products
- ✓ #2 in Pharmacy in Greece with an increasing market share

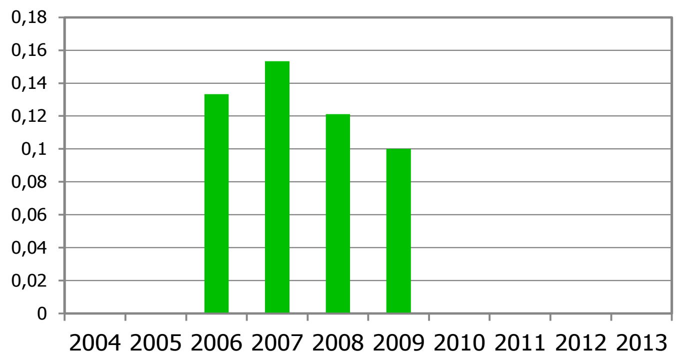
OVERVIEW - TRADING DATA 1 Year (data of period 01/04/2013 - 31/03/2014)			
Symbol:			KORRES
Athex Market:			MAIN MARKET
Market Cap (Mil. €): (31 March 2014)			47,6
Shares Outstanding (number): (31 March 2014)			13.586.500
Average Spread (%):			3,25%
Market Liquidity (%):			2,678%
Average Trading volume (no of shares):			3.988
Total Value of transactions (€):			3.215.040
Days to trade (1% of outstanding amount):			33,7
Free Float (31 March 2014):			36,92%
Turnover Velocity (F.F. Weighted):			19,0%
Historic Volatility	**30 days**	**60 days**	**90 days**
(annualised %)	28,21%	27,83%	30,49%

GROUP STRUCTURE

Korres S.A. - Parent

Kings & Queens Plc - Greece	100%
Homeopathic Korres S.A. - Greece	100%
Phyto 12 - Greece	24%
District Two GmbH - Germany	50%
Krokus Kozanis Products - Greece	45%
Pharmacon North Greece - Greece	100%
Milgauss Limited – Cyprus	16.7%
Korres Notrth America ltd – U.S.A.	16.7%
Korres Retail U.K. Ltd – England	50%
Alysos S.A. - Greece	35%

DIVIDEND POLICY- DPS (in €)



MAJOR ACHIEVEMENTS DURING THE FISCAL YEAR 2013

In 2013, though it was characterized as a turning-point for Greece, with the first signs of improvement being felt, the economy remained in recession (lower than that of 2012) and unemployment remained at high levels. Amid this negative economic environment, KORRES Group supported its brand in all markets and attained the following:

IN GREECE,

- Increase in market share in the pharmacy channel,
- Development in all key categories with face, sunscreen & body care products being the leaders

In detail:

- In Face care products, a significant increase in market share was registered
- In Body care products, positive performance for the first time after 3 years with a great share increase
- In Sun care products, a major increase in both growth rate and market share was recorded

The brand development strategy was underpinned by the following actions:

PROMOTIONAL ACTIVITIES

- Launching innovative series
- Advertising of strategic categories [TV / printed/ electronic]
- Support to the distribution channel [Pharmacy]

RESEARCH & DEVELOPMENT

- Special ingredients and new technologies for commercial categories [anti-aging/ sun protection]
- Scientific partnerships/ research programs [natural ingredients with UV-protection, anti-aging, anti-hyper-pigmentation properties]
- Network of biological crops [contract farming with Greek producers]

INTERNATIONAL MARKETS

- In North America, the partnership with Johnson & Johnson for distribution of its products was terminated and the Group will assume market development on its own.
- In U.K., the Group’s dynamic entry in Waitrose in 2012 was followed in 2013 by the entry in the branded chains of John Lewis and Debenhams, thus doubling the brand momentum
- In Spain, the Group continued to focus on major pharmacies and on El Corte Ingles stores.
- An agreement was concluded with the airline Lufthansa, this being an outstanding opportunity to communicate the dynamic development of Greek products on a worldwide scale and also approach new consumers.

FORTHCOMING PROJECTS/ INVESTMENTS – BUSINESS PLAN HIGHLIGHTS

The slowdown of the recession in 2013 combined with the achievement of the budgetary objectives and the eventual acceleration of structural reforms, the denationalization scheme, the recovery of investments and an increase in exports could justify the forecast that the Greek economy is on the path of recovery and the GDP will cease decreasing. In this financial environment, Korres Group will continue to support its brand in Greece while also extending its growth efforts to other countries with high-value innovative products and dynamic promotional activities focused on its strategic categories. Specifically:

- In the Greek market, the Group’s top priority is to further boost its position in its main channel, i.e. pharmacies. Thus, it will implement a growth policy with new dynamic launches in its strategic categories such as face care with the new series of wild rose-based special care products and the suncare with the new soothing after-sun yoghurt face cream (international innovation of the brand). The Group intends to support the above products by pursuing above the line communication (TV, printed and electronic means) and dynamic promotional activities. Meanwhile, the ongoing renewal and enhancement of the brand image doubled by the continuous update of the points of sale through product-related training courses for pharmacists will ensure their more effective promotion and advertising.

- In the international markets, the Group will focus its efforts on selected European markets, such as Germany, England, Russia and Scandinavian countries while also seeking new markets. Recently, we added the market of South Africa. KORRES continues to ascribe top priority to America which is the 2nd largest market for the company beyond Greece. Following termination of the partnership with Johnson & Johnson, the Group set up a subsidiary for North America and Canada. As of January 2014, it intends to take full advantage of the outstanding opportunity represented by this particular market since KORRES is the fastest growing brand in the major networks where our products are distributed, especially in SEPHORA stores and not only in comparison with natural cosmetics brands.

Concurrently, the strategic agreement concluded with AVON regarding the production and distribution of KORRES products in Latin America enables the Group to approach a wide range of consumers embracing our values and philosophy in the context of an exceptional market in terms of momentum and size. This particular agreement provides KORRES with revenues of $ 11.5 million [approximately € 8.5 million] during the first phase of their partnership which pertain to the distribution of KORRES brands in Latin American countries and also to fees for the support to the positioning of KORRES products in these countries. Thereafter, royalties will be paid for the intellectual and industrial property of KORRES according to sales performance accompanied by fees for the ongoing support services.

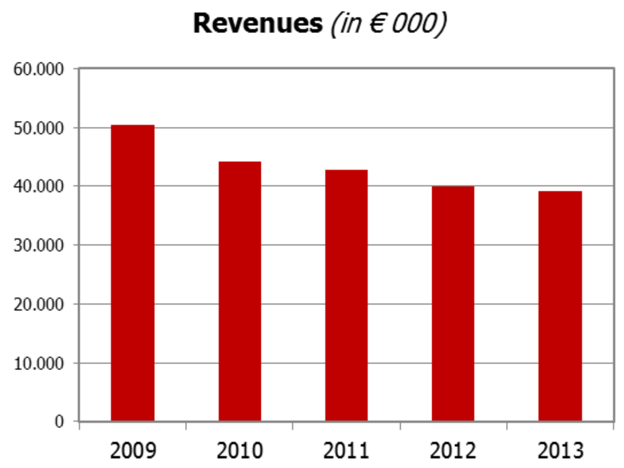
- The set "Herbs/ Co-operations/ Extractions/ Research" reflects the core of the company and will remain the fundamental philosophy of the Group's growth for 2014 too. Specifically, in collaboration with Athens Agronomist Faculty, the company has sought and identified the most appropriate areas for the organic farming of selected herbs, and has also collaborated with local organic farmers, social and educational institutes, cooperatives under terms of contract farming by providing them with training and technical assistance. The biological herbs originating from such partnerships are extracted in the standard Extraction Unit in our principal establishment. Subsequently, fundamental research is conducted in collaboration with Greek and international scientific institutes, which ends up to the development of unique, innovative products. Two new body care products (shower gel and body milk) are a characteristic example of such products; being the fruit of the collaboration of KORRES with the Association of Theraic Products Cooperatives / Santowines and based on Asyrtiko, a local, 3,500-year-old grape variety of Santorini, they will be launched in April 2014.

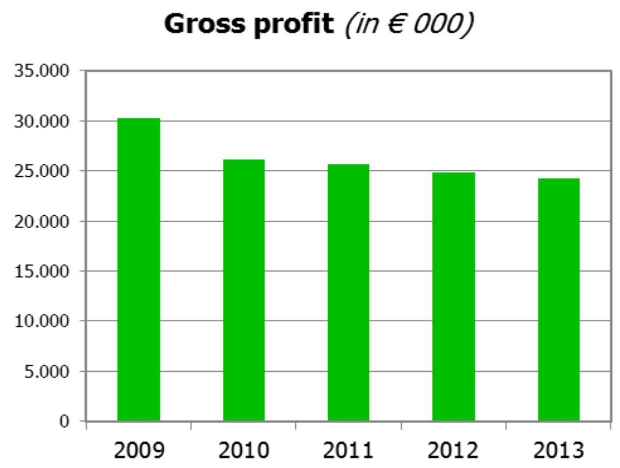
The Group's objective is to provide innovative and effective products based on natural active ingredients, promote research into natural ingredients combined with skin biochemistry and highlight the valuable Greek herbs through the co-operation with local farmers and the production of high biological value plant extracts.

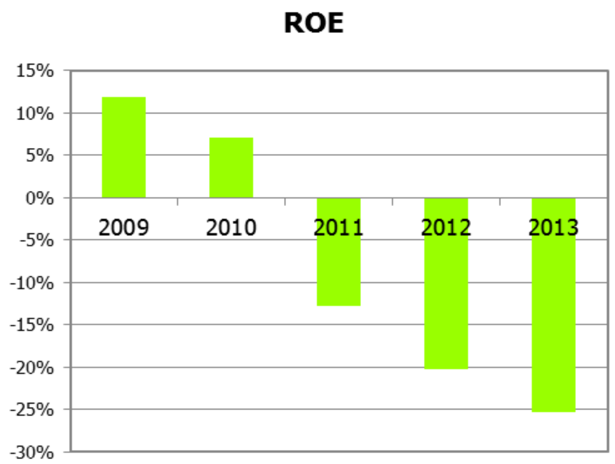
COMPANY'S PERFORMANCE

FINANCIAL OVERVIEW (consolidated) (in € 000)	**2009**	**2010**	**2011**	**2012**	**2013**
Sales	50.366	44.115	42.680	40.035	39.245
Gross profit	30.238	26.077	25.663	24.831	24.221
EBIT	7.405	5.274	1.511	-244	-1.268
EBITDA*	9.804	8.347	7.623	4.004	4.005
Earnings before tax	5.031	2.695	-3.303	-3.836	-3.811
Earnings after tax	3.396	1.568	-3.524	-4.538	-4.644
E.P.S.	0,31	0,16	-0,25	-0,31	-0,33
Total Equity	28.546	22.239	27.544	22.480	18.348
ROE	11,90%	7,05%	-12,79%	-20,19%	-25,31%

**If we deduct the effect of the extraordinary reorganization cost including non-recurring actions of reorganization/ restructuring which were undertaken by the Group, in 2013 adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA) stood at € 7,005 thousand in 2013 compared to € 7,869 thousand in 2012.*







MAJOR SHAREHOLDERS (>5%)	
Name	**%**
George Korres	43,95%
Arneta Ltd.	14,12%
Damma Holdings	5,01%
Total	**63,08%**

BOARD OF DIRECTORS	
Name	**Qualification**
GEORGE KORRES	PRESIDENT OF BOD/ EXECUTIVE MEMBER
DIMITRIOS VIDAKIS	CEO/ EXECUTIVE MEMBER
HARIS STAVRINOUDAKIS	CFO/ EXECUTIVE MEMBER
TENEDIOTIS GEORGE	EXECUTIVE MEMBER
KATSOULAS PETROS	NON-EXECUTIVE MEMBER
GKLAVANIS CHRISTOS	NON-EXECUTIVE MEMBER
SOFOKLEOUS NIKOLAOS	INDEPENDENT NON-EXECUTIVE MEMBER
MAZARAKIS PERIKLIS	INDEPENDENT NON-EXECUTIVE MEMBER

MANAGEMENT TEAM PROFILE

George Korres: Studied Pharmacy at Athens University. In 1989 he started working at the first homeopathic pharmacy in Greece (Tzivanidis Pharmacy), which he took it over completely in 1992. Four years later he founded Korres Natural Products. George Korres has served as secretary of the Greek Society of Homeopathic Pharmacists, is a founding member of the Hellenic Ethnopharmacology Society and an active member of the Hellenic Aromatherapy – Organic Therapy Society.

Mr. Charalampos Alexandros Stavrinoudakis is Chief Financial Officer and Executive Member of the Board at Korres SA Natural Products since October 19, 2011. He previously was appointed Chief Financial Officer of the Company on September 12, 2011. He has over 17 years of experience in managerial positions in various Greek and multinational companies. He started his career at Shell Hellas where he was appointed as Planning and MIS Manager. He continued in Shell International in London at the European Mergers and then at the Global Shell Treasury Center. After his return to Greece he assumed the position of Chief Financial Officer of Maillis Group and then the position of General Manager of the Group's Finance and Support Services. He subsequently served as CFO of Singular Logic, Neochimiki and Youtravel.com Group. Mr. Stavrinoudakis is a graduate of the Athens University of Economics and Business and he holds an MBA from Athens University of Economics and Business in cooperation with the Erasmus University of Rotterdam.

Mr. Dimitrios Iosif Vidakis is Managing Director, Executive Director of Korres SA Natural Products since June 30, 2011. He holds a degree in Mathematics from the University of Athens, a Master of Science and an MBA from Imperial College of Science, Technology and Medicine. He started his career in 1989 and served as General Manager of Coca-Cola Hellenic Bottling Company in Poland and since 2006 he has been serving as General Manager of Coca-Cola HBC in Greece and as Chairman of the board of Tsakiris and Elchym. Before Coca-Cola HBC he served as a Manager at Unilever for 15 years. In 2009 he received the Manager of the Year Award from the Hellenic Society of Business Administration.

Mr. Georgios Vasileios Tenediotis is the Executive Director, Secretary of the Board of Directors of Korres Natural Products SA and the Legal Advisor of the Company since May 6, 2010. He has been working as a Legal Advisor to the Company since 1996. He was appointed Legal Services Director, Director on May 3, 2010. Mr. Tenediotis is a graduate of the University of Athens Law School and he holds an LL.M in International European and Commercial Law from the University of Kent at Canterbury, Unitefd Kingdom as well as a MSc in Business for Lawyers from Athens Laboratory of Business Administration (ALBA).

Mr. Periklis Michail-Georgios Mazarakis is Non-Executive Independent Director of Korres SA Natural Products since September 11, 2009. He has also been Member of the Audit Committee of the Company since February 11, 2010. Since 2007, he works for Cerberus Capital, a Private Equity company in New York. Previously he served as Director of Marketing of Yum brands internationally (Pizza Hut, KFC, Taco Bell) and as Director of Functioning of 1,100 stores in Latin America and the Caribbean. In addition he worked as Director of Marketing and Business Development in the pharmaceutical sector of Bristol Myers and as Management consultant of McKinsey & Company. He holds a degree from the University of Pennsylvania (Wharton School) as well as an MBA degree from Stanford University.

Mr. Nikolaos Sofoklis Sofokleous is Non-Executive Independent Director of Korres SA Natural Porducts since January 25, 2008. He has also been Member of the Audit Committee of the Company Since February 11, 2010. He holds a BBA and MBA from the A&M University of Texas. He had a15-year collaboration with Procter & Gamble, where he served as Associate Marketing Director in the markets of the Arabian Peninsula and Great Britain followed by Marketing Director for Greece. From 1996 and for 10 years he worked at Barilla. He assumed the responsibilities of Chief Executive Officer (CEO) for Misko in Greece, Barilla in North America and Kamps in Germany. Since January 3, 2008, he has assumed the duties of President and Managing Director of Vodafone Greece.

Mr. Petros Spyridon Katsoulas is Non-Executive Director of Korres SA Natural Products. He has also been Member of the Audit Committee of the Company since February 11, 2010. He is a graduate of the Computer Sciences department of the University of Crete (1988). He also holds an MSc in Software Engineering and MBA from Aston University, Birmingham, UK (1990 and 1993 respectively). From July 1993 to October 1996, he worked in the investment banking sector of Barclays Bank (BZW) in Athens. From October 1996 to December 1997, he worked in the stocks/ shares department of BZW in London. From 1998, he worked in the shareholders department of the investment banking sector of Credit Suisse in London, where since 2001 he is Research Director of Greek Equities.

Mr. Christos Michail Gklavanis was appointed Non-Executive Director of Korres SA Natural Products on June 30, 2011. He holds a degree in Economics from the University of Hull, United Kingdom. From 1974 until 1982 he worked at Coopers and Lybrand and from 1981 until 1987 at Ernst and Whinney as a partner. From 1987 until 2008 he served as Managing Director of Ernst and Young, Southeast Europe and from 2008 until 2011 he served as Chairman and Managing Director at Ernst and Young, Southeast Europe.