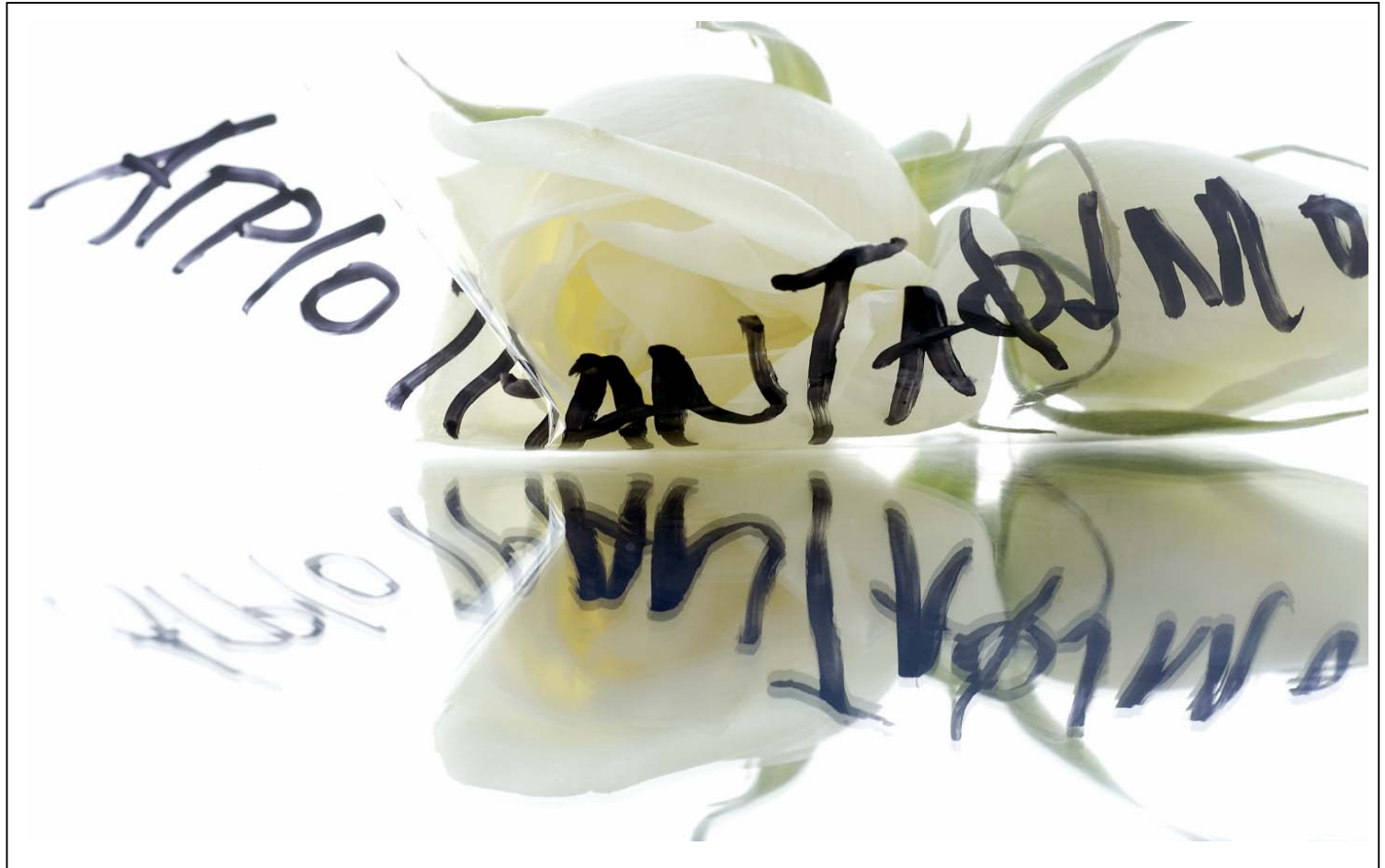


1

FROM HOMEOPATHIC REMEDIES TO HERBAL EXTRACTIONS & SCIENTIFIC INNOVATIVE NATURAL PRODUCTS

GROW-FOCUS-EXPAND



2

KORRES NATURAL PRODUCTS A fast growing brand awareness case

GROW-FOCUS-EXPAND

- Unique positioning in the market
- Strong portfolio of 500 innovative herbal products
- Experience in branding
- Focus on R&D and NPD
- Significant presence in 28 countries in Europe, Middle East, Asia, USA
- Successful development model
 - Sales CAGR₀₃₋₀₇:39,3%-Sales₀₇: €36mil
 - EBITDACAGR₀₃₋₀₇:38,7%- EBITDA₀₇: €6,5mil
 - Net ProfitCAGR₀₃₋₀₇: 63,8%- Net Profit₀₇: €3,2mil
 - Personnel CAGR03-07: 26,8%-2007: 251 people

Market Cap>€90mil



3

FROM THE PHARMACY AND THE HERBS

GROW-FOCUS-EXPAND

- The Korres Natural Products has its roots in the first ever Homeopathic Pharmacy of Athens
- Founded in 1996, with the aim to utilise its extensive scientific resources for the creation of beneficial and safe products
- Today it offers a complete range of cosmetic, phytotherapy, homeopathy and nutraceutical products



4

FOCUS ON 4 MAJOR PRODUCT CATEGORIES UNDER 2 BRANDS

GROW-FOCUS-EXPAND

2 Brands

Main Brand: Korres Natural Products

New Brand: Kings & Queens, initially in body category

#1 Face 40% of Sales₀₇- Gross Profit Margin₀₇: 71%

#2 Body 23% of Sales₀₇- Gross Profit Margin₀₇: 59%

#3 Hair 22% of Sales₀₇-Gross Profit Margin₀₇: 67%

#4 Pharmaceuticals & Other 15% of Sales₀₇- Gross Profit Margin₀₇: 49%



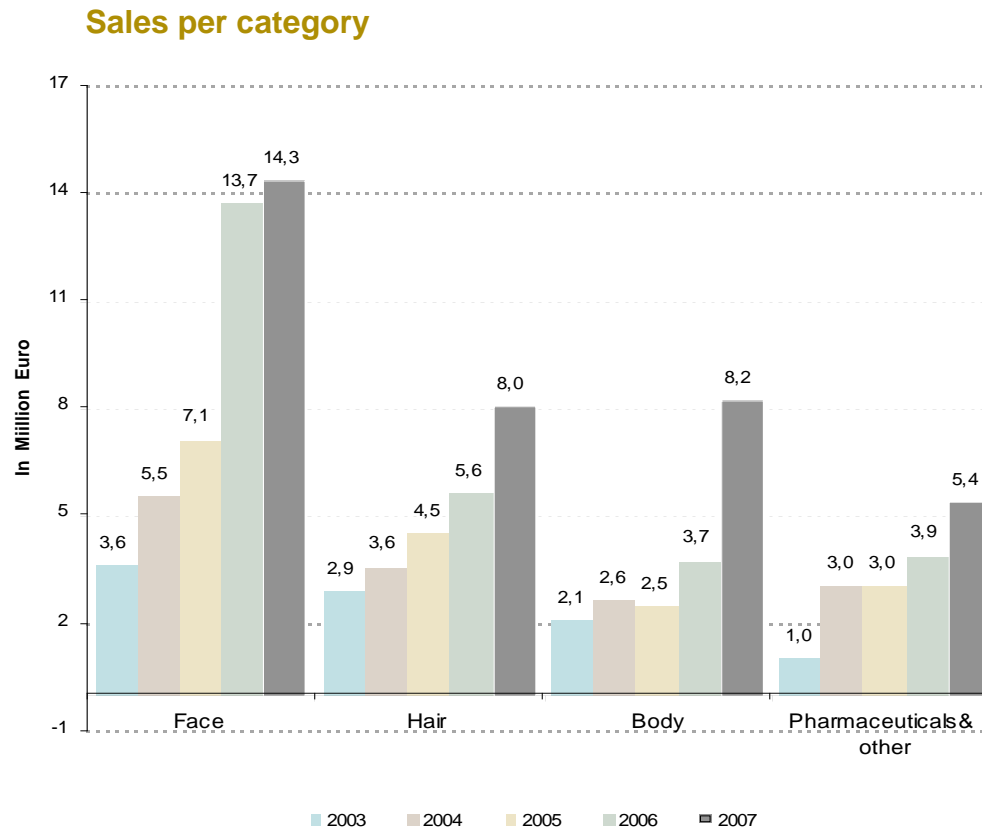
5

HIGH GROWTH RATES IN ALL PRODUCT CATEGORIES

GROW-FOCUS-EXPAND

CAGR₀₃₋₀₇

Face	41%
Hair	29%
Body	41%
Pharmaceuticals	51%
&other	



6

HIGH PENETRATION IN PHARMACIES IN GREECE

GROW-FOCUS-EXPAND

- 5,600 Pharmacies (from which 1150 as a shop in shop),
- >50% penetration in the pharmacies
- 80% of homeopathic remedies in Greece through its 100% subsidiary Homeopathic Korres GP



KORRES PHARMACY

7

2 STORES IN GREECE

GROW-FOCUS-EXPAND

2 stand alone stores



ATTICA STORE ATHENS



ATHENS AIRPORT STORE

8

GROWING INTERNATIONAL PRESENCE

28 COUNTRIES through distributors

KORRES AT THE ELITE STORES OF THE WORLD

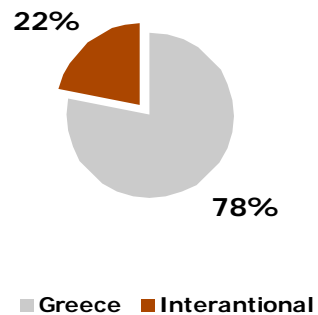
GROW-FOCUS-EXPAND

CAGR 03-07

Greece : 33,3%

International : 87%

Sales by region



Europe: Greece, Cyprus, Romania, Russia, Italy, Spain, France, Andorra, Germany, UK, Austria, Switzerland, Belgium, Netherlands, Norway, Finland. **Middle East, Asia:** Dubai, Turkey, China & Hong Kong, Japan, Singapore, Korea, India, **USA, Canada, Australia, Caribbean, South Africa**



9

INTERNATIONAL PRESENCE 1,250 SELECTIVE – SEMI/SELECTIVE POINTS OF SALES

GROW-FOCUS-EXPAND

UK Harrods, Harvey Nichols, Liberty, Selfridges, John Lewis, Fenwicks, Heal's, Oliver Bonas,
GERMANY Ludwig Beck, Quartier 206, KaDeWe, Apropos, Alsterhaus, Harald Lubner, ITALY Coin SPAIN Seven Sense, Oro Liquido, Soho Shop PORTUGAL Selected pharmacies, FRANCE & ANDORRA Le Bon Marché, Sephora, Le Printemps AUSTRIA Nana De Bary, Nägele & Strubell SWITZERLAND Septième, Globus, Schminkbar, Hyazinth BELGIUM & LUXEMBURG Selected Pharmacies nationwide (250 POS) NORWAY Luna Spa CYPRUS Ermes, Selected Pharmacies nationwide RUSSIA Selected points of sale (perfumeries)

Liberty_London UK



Harrods_London UK



Selfridges_London UK



Ludwig Beck, Munich, Germany



Apropos_Germany



Coin SIS, Milano, Italy



10

INTERNATIONAL PRESENCE KORRES STORES - 16 STAND ALONE STORES VIA DISTRIBUTORS

GROW-FOCUS-EXPAND

Barcelona stores, Spain



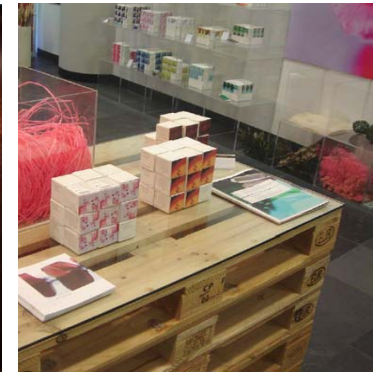
Helsinki store, Finland



Bucharest store, Romania



Lisboa store, Portugal



11

INTERNATIONAL PRESENCE

18 STORES VIA DISTRIBUTORS

GROW-FOCUS-EXPAND

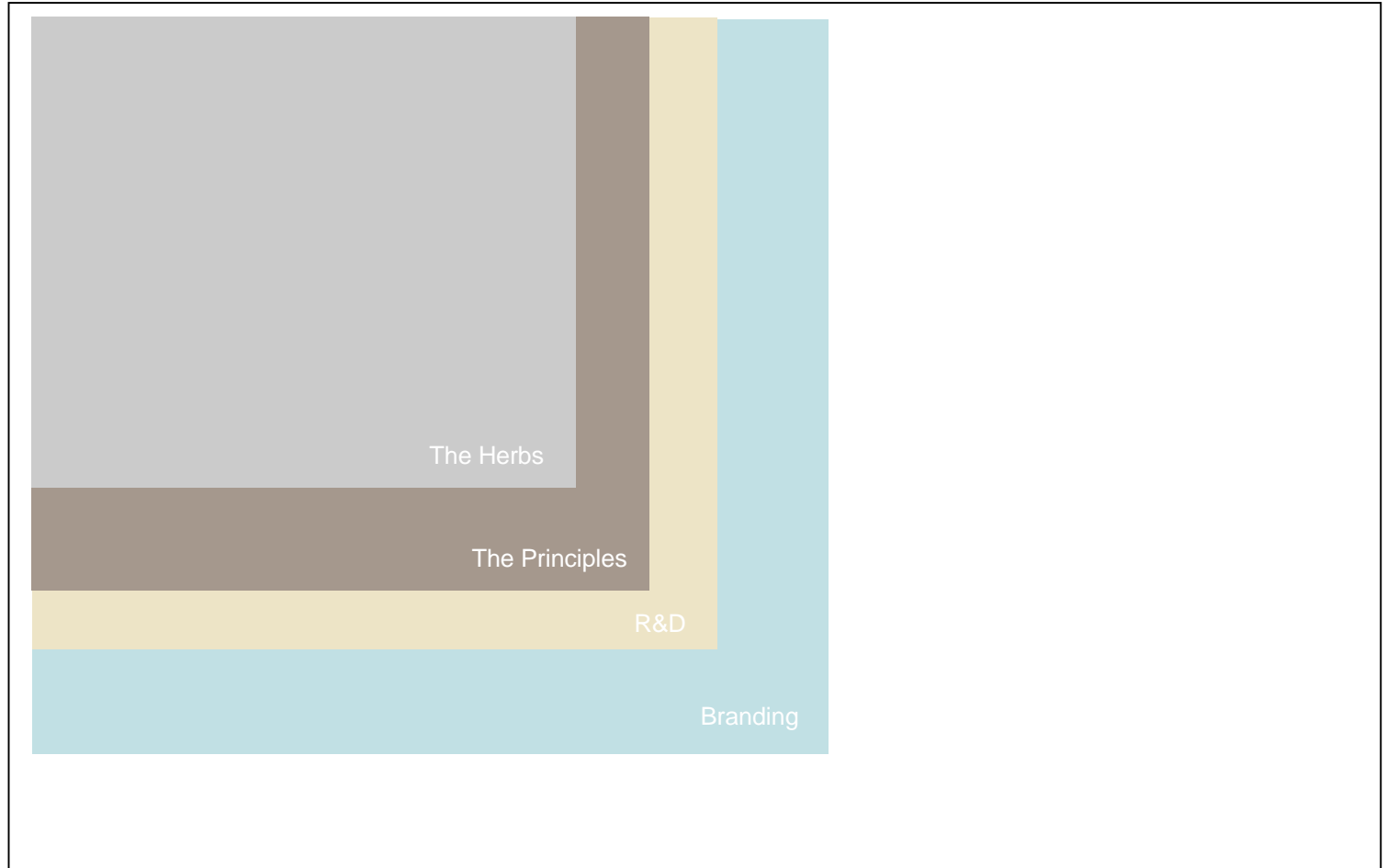
STORE COUNT BY 2006 END		STORE COUNT IN 2007		STORE COUNT IN 2008 (up to now)	
COUNTRY	CITY	COUNTRY	CITY	COUNTRY	CITY
GREECE	ATHENS ATTICA	CHINA	SHANGHAI	SWITZERLAND	LA CHAUX DE FONDS
	ATHENS AIRPORT		BEIJING	FRANCE	PARIS
UK	LONDON		BEIJING		
SPAIN	BARCELONA	UK	GLASGOW		
	BARCELONA	GERMANY	FRANKFURT		
	MATARO	USA	NEW YORK SOHO		
FINLAND	HELSINKI				
		SPAIN	MADRID		
			VALENCIA		
		TURKEY	ISTANBUL		

*Korres products are also sold over 19 shop-in-shops worldwide

12

COMPETITIVE ADVANTAGES

GROW-FOCUS-EXPAND



13

INNOVATIVE PRODUCTS

BASED ON 4 LARGE GROUPS OF NATURAL INGREDIENTS

GROW-FOCUS-EXPAND

Herbs with pharmaceutical properties, e.g. Calendula, Echinacea, Hypericum, Evening Primrose

Greek flora herbs, e.g. Thyme, Basil, Rosemary, Mastiha, Crocus

Food ingredients e.g. Yogurt, Thyme-honey, fully incorporated in our products

Natural raw materials the attributes of which are reinforced by the latest global Cosmetology research

Replace substances such as mineral oils, silicones, propylene glycol, parabens etc with natural ingredients which are safe and skin friendly

Herbs with pharmaceutical properties



Greek Flora herbs



Food ingredients



Natural Raw material



14

INVEST IN GREEK FLORA

GROW-FOCUS-EXPAND

THROUGH OUR R&D AND NPD

with 100% organically grown and extracting active herbal ingredients

- **The Establishment of our subsidiary Phyto 12 (60% participation)**, with the aim to trade and distribute natural extractions and to develop extracting processes

THROUGH STRATEGIC PARTNERSHIPS

- **Co operation with the Pharmacology School of the Pharmacy Department of ATHENS UNIVERSITY**, working on industrial research development programs aiming to fully explore the attributes of Greek flora pharmaceutical plants
- **Co operation with Chios MASTIHA Growers Association (CMGA)**-development of a Mastiha product range. Recently acquired 5,13% of Mediterra which is the exclusive distributor of Chios Mastiha in Greece on behalf of CMGA
- **Co operation with the Cooperative de Safran of Crocus Kozani through its 15,6% participation in KROCUS KOZANIS PRODUCTS**, exclusive representation and distribution of the organic Kozani Crocus apart from Greece also abroad and the development of KROCUS products



15

OUR PRINCIPLES

GROW-FOCUS-EXPAND

4 basic principles:

- Use of organically grown and extracting herbs and natural ingredients of the highest quality
- Clinically tested effectiveness without over promising results
- Combination of science and high aesthetics
- Reasonable prices

16

FOCUS ON THE DEVELOPMENT OF INNOVATIVE PRODUCTS

GROW-FOCUS-EXPAND

- **4% of total sales** is allocated for R&D and NPD
- **A team of 43 chemists and chemical engineers**, develop and manage new product ideas, following the most strict procedures
- **130 new products in the pipeline** to be launched up to the end of 2010



17

EXPERIENCE IN BRANDING

GROW-FOCUS-EXPAND

- High brand awareness – 15% market share in pharmacies in Greece
- Only 13% of sales is allocated for advertising
- First time on TV in 2007
- Awarded plenty of times for its product development, promotion and packaging



18

NEW BRAND KINGS & QUEENS

New target group_ New distribution channels

GROW-FOCUS-EXPAND



19

NEW BRAND KINGS & QUEENS

ROYALS & HERBS - Stories and myths of royals and herbs

GROW-FOCUS-EXPAND

CHARACTERISTICS

- Luxurious bulk
- Colour and fragrance
- Maximal packaging
- Herbal ingredients
- Paraben Free
- Mineral oil Free

PRODUCT RANGE

Showergels, body milks, body butters, soaps, amenities



20

NEW BRAND KINGS & QUEENS

New target group_Alternative distribution channels

GROW-FOCUS-EXPAND

DISTRIBUTION

- Masstige Category
- Affordable price
- Alternative Distribution Channels



21

NEW BRAND KINGS & QUEENS

GROW-FOCUS-EXPAND

- Launched in July 2007

in Greece

Fena Fresh in Thessaloniki and at supermarkets (Sklavenitis, AB Vasilopoulos, Massoutis, Carrefour)

Major chain stores and superstores-cosmetic stores (Attica, Aroma, Gallery de Beaute)

Already present in 1,200 points of sales

in International Markets

The Netherlands in an exclusive partnership with the European cosmetics

Store chain Douglas

Exports to France, Germany, UK and Russia

- **Sales 2007: €1,6mil.** The contribution of the new brand to total sales is expected to be significant in the following years.

22

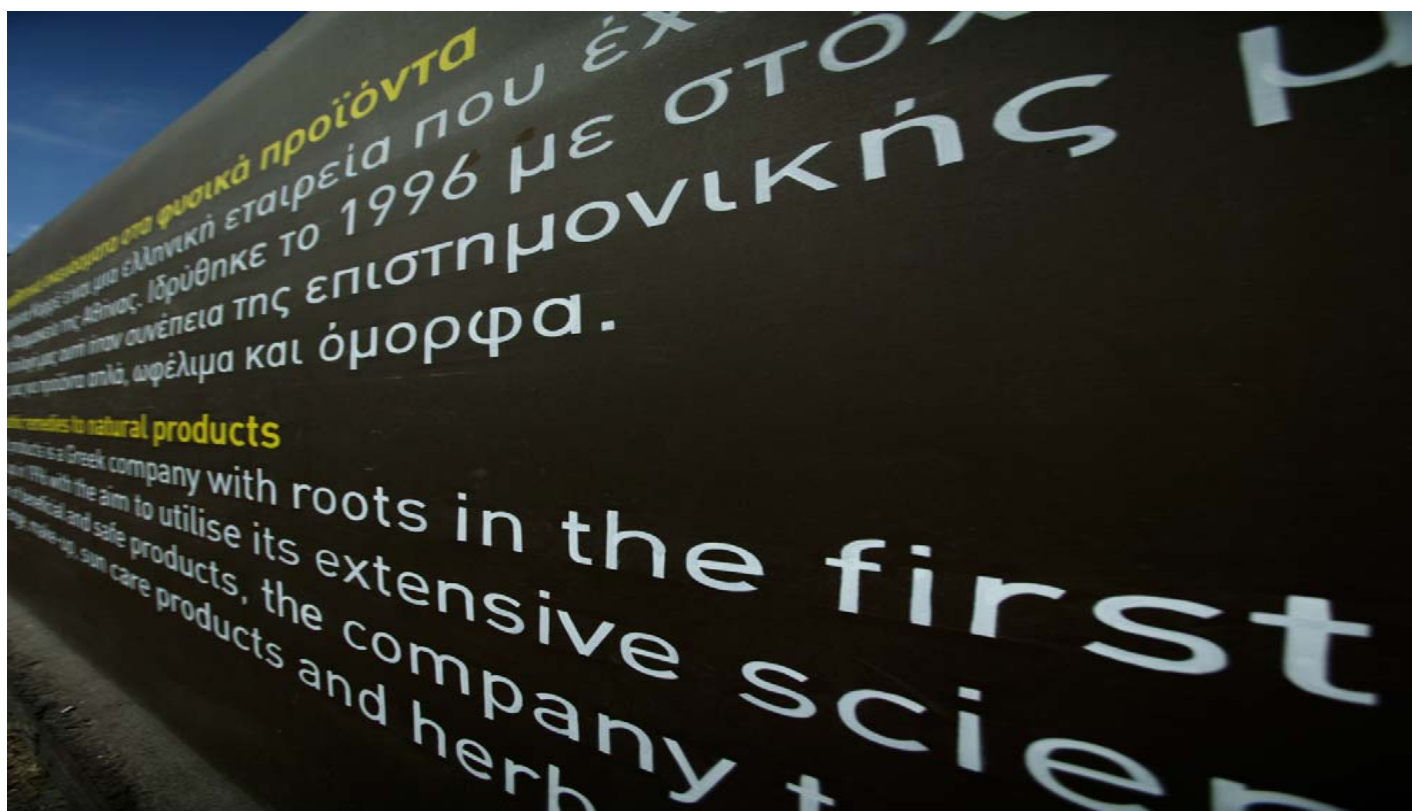
CAPACITY TO COVER THE INCREASED DEMAND

GROW-FOCUS-EXPAND

Investments 03-07: €16,3mil

- 6,500sqm production facilities, located in Oinofyta (57 km north of Athens) in 13,000sq.m land
- 80% of the production is realized in house and the rest 20% is outsourced
- 8x the current production output (with 3 shifts) after the completion of new mechanical equipment's installation

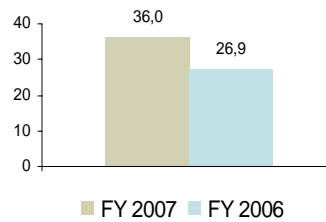




- **Revenues** increased by **33,7%** to €36,0m (€26,9m in FY 2006)
- **Gross Profit** increased by **31,3%** to €23,1m (€17,6m in FY 2006)
- **EBITDA** increased by **12,6%** to €6,5m (€5,8m in FY 2006)
- **Net income** increased by **13,5%** to €3,2m (€2,8m in FY 2006)

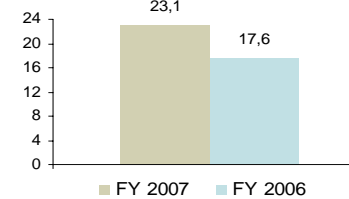
+33,7%

Consolidated Turnover (€ mil)



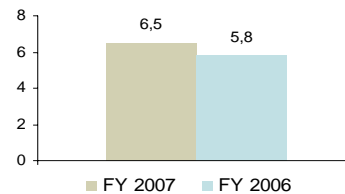
+31,3%

Consolidated Gross Profit (€ mil)



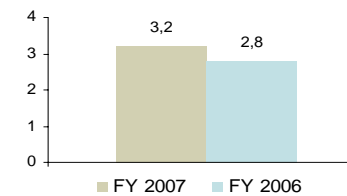
+12,6%

Consolidated EBITDA (€ mil)



+13,5%

Consolidated Net income (€ mil)



25

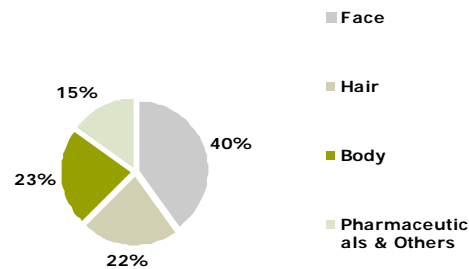
FY '07 SALES GROWTH BY BU

GROW-FOCUS-EXPAND

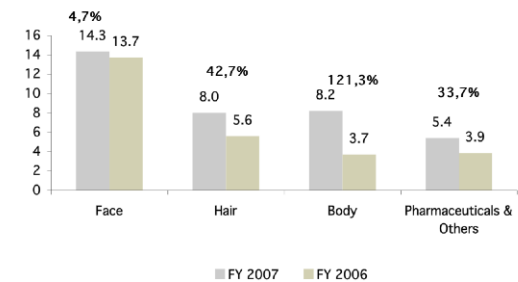
+4,7% in Face
 +42,7% in Hair
 +121,3% in Body
 +38,9% in Pharmaceuticals
 and others

- Face products continued to be the highest contributor to total sales (40%), while body and hair categories gained 11pp, participating by 22,0% and 23% respectively in sales
- 121,3% growth in body category came apart from the launch of the new brand K&Qs, also from the development of sun care products and the organic growth of the core category.
- 42,7% in hair products driven by the significant growth of hair colorants

FY 2007 - SBU Turnover Breakdown



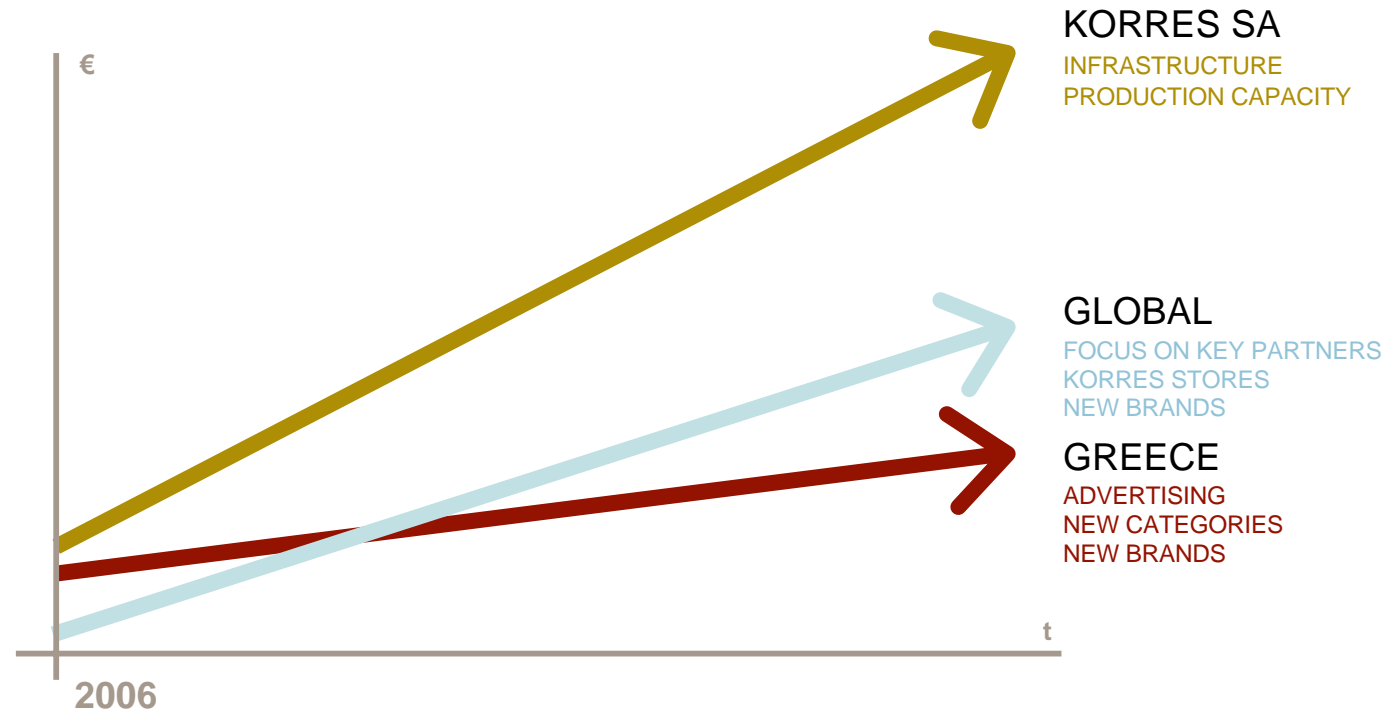
Consolidated SBU Turnover Analysis (€ mil.)



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STRATEGY GROWTH FOCUS

GROW-FOCUS-EXPAND



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STRATEGY 2008-2010

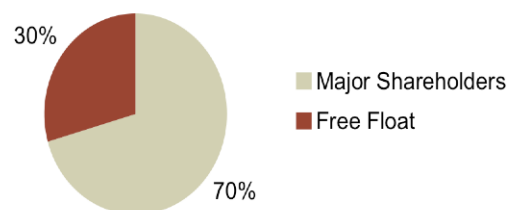
GROW-FOCUS-EXPAND

			DRIVERS
GROW	GREECE	<p>GROWTH STRATEGY</p> <p>DEVELOPMENT</p>	<ul style="list-style-type: none"> • Grow the existing product categories • New product categories • New brand –upscale pricing • New distribution channels
FOCUS	INTERNATIONAL	<p>FOCUS STRATEGY</p> <p>ESTABLISHMENT</p>	<ul style="list-style-type: none"> • Developed markets: UK, US, Germany, Spain and Japan • Emerging markets: China and Russia • Modelisation of stores • New distribution channels
EXPAND	NEW BRAND	<p>EXPANSION STRATEGY</p>	<ul style="list-style-type: none"> • New product categories • Penetrate the mass distribution channels
	KINGS & QUEENS	<p>ENTRANCE</p>	<ul style="list-style-type: none"> • New geographical regions

28

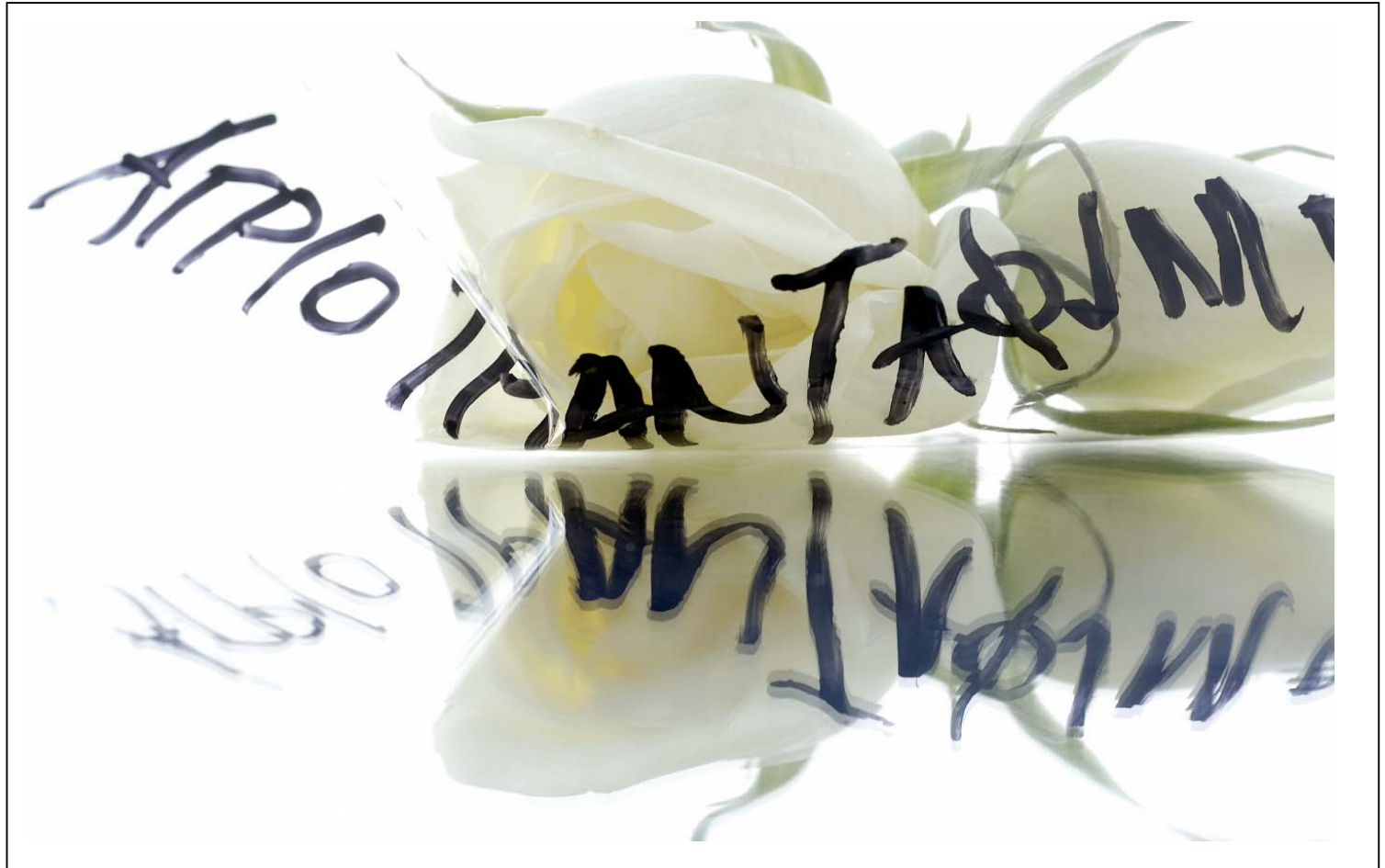
SHAREHOLDING STRUCTURE

GROW-FOCUS-EXPAND



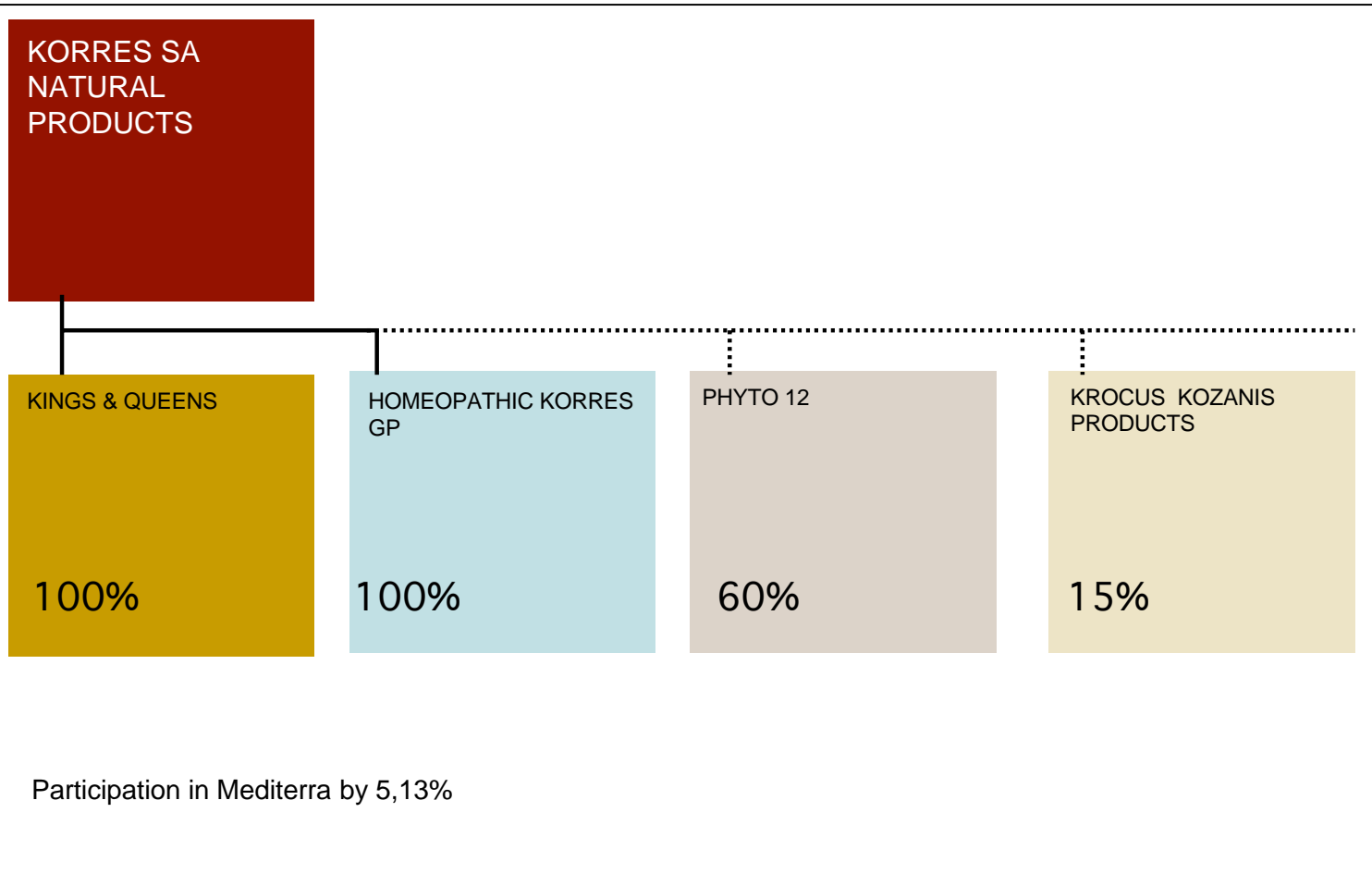
Major shareholders	Participation (%)
George Korres	56,10%
Helen Philippou	5,6%
Peter Katsoulas	4,5%
Apostolos Korres	4,2%

- The present was compiled by the company KORRES S.A. NATURAL PRODUCTS (hereinafter the Company) exclusively for investors and market professionals
- In no way does the present constitute an offer or invitation to purchase Company shares.
- The reproduction, use or distribution, of part or whole of the present document in any way is prohibited.





GROW-FOCUS-EXPAND



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COMPANY HIGHLIGHTS

GROW-FOCUS-EXPAND

- 1996 Setting up *G. Korres Ltd.*
- 2000 Converted into a S.A. under the name *Korres SA-Natural Products*
First steps to enter foreign markets
- 2001 Deal with Harvey Nichols (UK)
- 2002 Setting up the subsidiary *Korres UK* and opening the 1st flagship store in Chelsea, London
- 2003 Product distribution agreement with PLIAS
Cooperation with Mastiha producers (Chios, Greece)
- 2004 Acquisition of factory in Oinofyta
Opening 2 new Korres shops in Barcelona (local distributor)
Setting up subsidiary *Korres USA* _Deal with Sephora
- 2005 Opening 2 Korres shops in Athens
Opening 1 shop in Helsinki (local distributor)
Sale of subsidiaries *Korres USA & UK*
- 2006 Relocation at Oinofyta
Opening 2 new shops - 1 in Helsinki (Finland), 1 in Mataro (Spain)
Exports in Asia, China & Japan
Acquisition of *Homeopathic Korres GP*

2007 Listing to the Stock Exchange in the Small-Mid Cap category
Launch of the new brand Kings & Queens, by Establishing its 100% subsidiary Kings & Queens
Establishment of its subsidiary Phyto 12 (60% participation)
Opening of 9 (1 in Shanghai, 2 in Beijing, 1 in Glasgow, 1 in Frankfurt, 1 in New York Soho, 1 in Madrid, 1 in Valencia, 1 in Istanbul) new Korres Stores abroad, reaching a total of 14 stores

- 1998** Award for Innovation and Production, Ministry of Development
- 2000** Award for Entrepreneurship, EOMMEX
- 2002** Gold Award for Packaging & Praise for the Corporate Identity, Greek Awards for Graphic Artist and Imagery
- 2003** Award for Development and Innovation, Hellenic Business Society and awarded by the President of the Greek State
- 2003** Gold Star for Packaging, Association of Industrial Producers of Packaging Material
- 2004** Gold Award Prix de Beauté in the haircare category for the shampoo Mastiha-oil and Wheat proteins
- 2004** Gold Awards for Packaging and Advertising Prints & Honor for Corporate Identity and Corporate website (www.Korres.com), Hellenic Awards for Graphics and Design
- 2004** Gold Ermis for Packaging for liquid hand soaps, Association of Advertising & Communication Companies
- 2004** Bronze Ermis for Packaging for the facial range, Association of Advertising & Communication Companies
- 2005** Korres George, Greek Businessman of the Year, STATUS magazine
- 2005** Gold Award for Korres BOOKS logo, Hellenic Graphic and Design Awards
- 2005** Gold Award Prix de Beauté for Korres COLOUR_PENCILS
- 2005** Gold Award Retail Manager and Rising Star of the Year, Retail Business magazine, sponsored by the Ministry of Development
- 2006** Star in Packaging for Kozani Crocus and Honor for gift boxes, Pan-Hellenic Packaging Contest "Greek Stars 2006"

- 2006** Honor for Jam with figs, plums & honey, Gourmet magazine – Eleytherotypia newspaper
- 2006** Company of the Year Award for corporate development and creativity, Vôte Beauté magazine
- 2006** Gold Ermis Product Identity and Packaging for Kozni Crocus, Association of Advertising & Communication Companies
- 2006** Gold Ermis Promotional Materials/Structures of for Korres Colour, Association of Advertising & Communication Companies.
- 2006** Star in Packaging for Kozani Crocus, International Packaging Contest “Stars 2006”
- 2006** Ranked 247 amongst the 500 highest developing companies in Europe, by the 500 Growth Entrepreneurs for growth association
- 2007** Korres George, Greek businessman of the Year, STATUS magazine
- 2007** Honored by the Pharmaceuticals Association of Thessalonica for his contribution to the Greek Business development, 7thPharmaPoint
- 2007** Best Hand Launch Award for the Thyme Honey hand cream at the Pure Beauty Awards
- 2007** Gold Award Prix de Beauté for Korres Colour_Concealer & Compact Powders
- 2007** Ermis Silver (2nd prize) in the category of Product Identity and Packaging for the Korres Bag, by the Greek Association of Communication and Advertising companies
- 2007** Korres store in Annankatu listed as one out of 101 best (product/brand or phenomenon) by Kotivinkki magazine in Finland
- 2007** Best Eye Cream, Sunday Mirror Beauty Awards for Eyebright
- 2007** Ranked 460 amongst the 500 highest developing companies in Europe, by the 500 Growth Entrepreneurs for growth association
- 2007** Distinction for International Business Development, the Leading Companies Greece Awards
- 2007** Best Natural Eyeshadow for Korres in Olive Green at Natural Health Beauty Awards 2008
- 2007** Best Mask for Korres Cinnamon and Clay Mask at SELF Magazine Healthy Beauty Awards

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PRODUCT CATEGORIES

GROW-FOCUS-EXPAND

Face:

Moisturising Creams, Emulsions, Lotions, Facial Masks, Eye Creams, Men's Care products, Make-up products

Hair:

Shampoos, Conditioners, Styling products, Hair Colourants

Body:

Shower Gels, Body Waters & Butters, Hand Soaps, Sponges, Sun Care products

Pharmaceutical:

Anti-cellulite products, Anti-lice products, Insect Repellents, Syrups & Drops, Homoeopathy medicines

Other products:

Hotel supplies (*Korres Little Natural Products*), Mastiha Products (*Korres Greek Flora_Mastiha*), Oral Hygiene Products, Nutraceuticals (instant drinks with vegetable fibers, jams, teas, energy bars, etc.)

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FOCUS ON THE DEVELOPMENT OF INNOVATIVE PRODUCTS

GROW-FOCUS-EXPAND

Innovative and globally competitive natural ingredients based formulas

OUR PRODUCTS DO NOT CONTAIN:	DISADVANTAGES	REPLACED WITH NATURAL INGREDIENTS:	ADVANTAGES
Parabens	Conservatives everyone is overexposed to	Organic acids, food conservatives	Natural, mild, safe
Oil products (mineral oil)	Synthetics, which clog skin pores	Excellent quality natural oils	Exceptional compatibility, does not clog pores, moisturising properties
Silicones	Synthetic, non bio-degraded, which clog the pores, burden hair	Combination of dry vegetable oils	Exceptional compatibility, does not clog pores, does not burden hair, moisturising properties
Propylene-glycol	Dissolution responsible for allergies	Butylene glycol	High compatibility, friendly to the skin
Ethanolamines	Controllers of pH responsible for allergies, rashes	Amino acid L-arginin	High compatibility, moisturising properties
Synthetic vitamin E (D- and L-tocopherol)	Only D-tocopherol has proven anti-oxidant action	Natural vitamin E (D-tocopherol)	Has a double anti-oxidant action
Non-standard natural extracts	Unstable effectiveness	Active natural extracts	Maximum and constant effectiveness

FINANCIAL INFORMATION – FINANCIAL RESULTS

GROW-FOCUS-EXPAND

(in thousand)	2003	2004	2005	2006	2007	Average annual growth rate
Sales	9,547	14,779	17,064	26,914	35,977	39,3%
Gross profit	6,245	9,141	10,652	17,590	23,086	38,7%
% of turnover	65.4%	61.9%	62.4%	65.4%	64,2%	
Earnings before interest, tax, depreciation & amortization (E.B.I.T.D.A.)	1,574	3,038	3,155	5,811	6,542	42,8%
% of turnover	16.5%	20.6%	18.5%	21.6%	18,2%	
Earnings before tax (E.B.T.)	932	1,994	2,010	4,041	4,599	49,0%
% of turnover	9.8%	13.5%	11.8%	15.0%	13%	
Earnings after taxes (E.A.T.)	448	1,112	1,132	2,841	3,226	63,8%
% of turnover	4.7%	7.5%	6.6%	10.6%	9,0%	

GROW-FOCUS-EXPAND

(in thousand Euro)	2003	2004	2005	2006	2007
ASSETS					
Total non-current assets	7,051	7,023	11,303	13,750	17,743
Current assets	7,795	10,369	13,111	19,239	31,844
Total Assets	14,846	17,393	24,415	32,989	49,587
EQUITY & LIABILITIES					
Total equity	2,220	3,332	4,604	6,573	18,868
Long-term liabilities	5,109	4,750	5,340	10,241	8,867
Short-term liabilities	7,517	9,311	14,472	16,174	21,851
Total liabilities	12,626	14,061	19,811	26,415	30,718
Total Equity and Liabilities	14,846	17,393	24,415	32,989	49,587

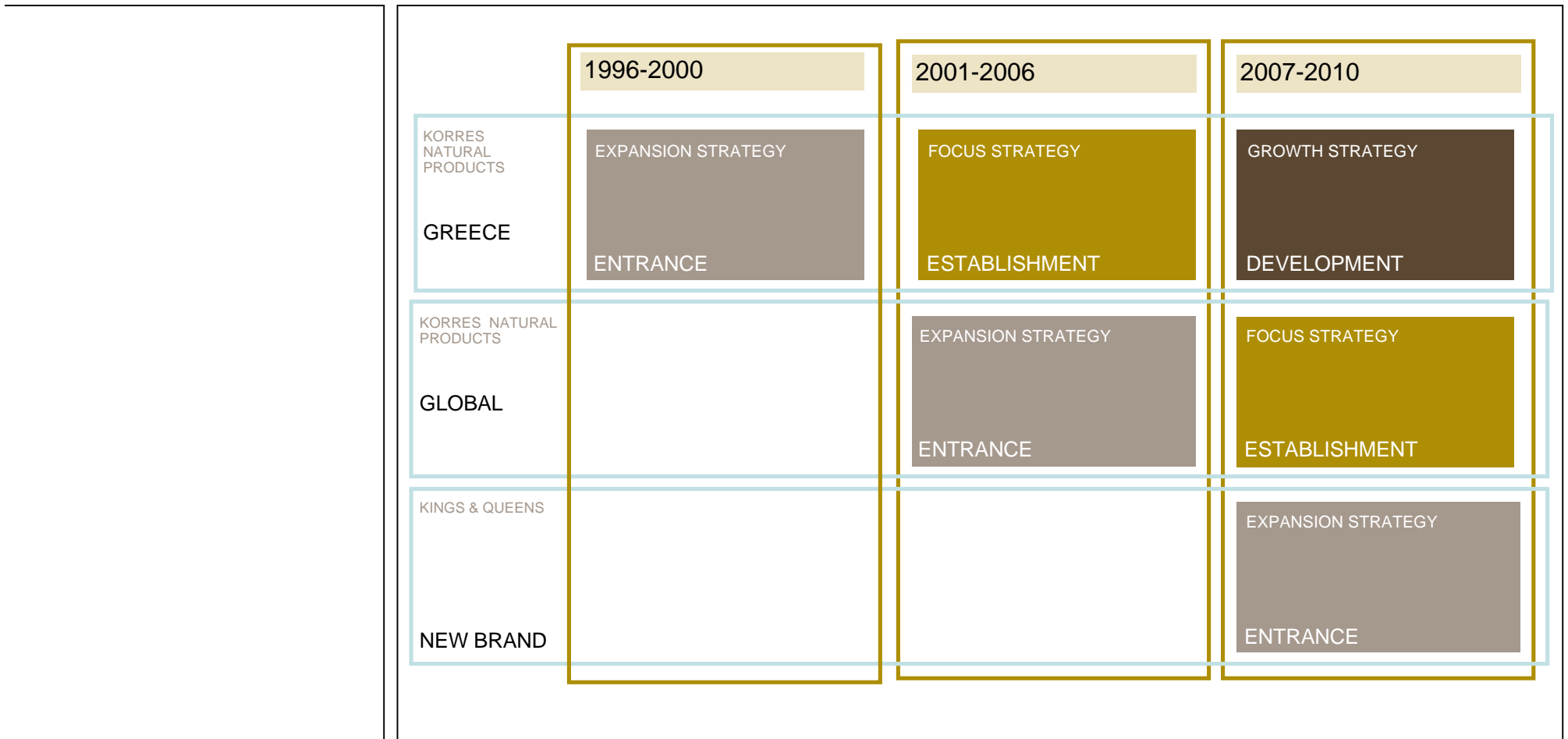
GROW-FOCUS-EXPAND

(in thousand Euro)	2003	2004	2005	2006	2007
Inflows from operating activities	(1,308)	(545)	(1,494)	2,634	1,214
Inflows from investment activities	(754)	(319)	(1,394)	(2,943)	(5,804)
Inflows from financing activities	2,165	651	3,580	1,033	4,994
Increase in cash & cash equivalents*	103	(213)	0692	725	405

* Compared to the respective previous period

DEVELOPMENT STRATEGY 1996-2010

GROW-FOCUS-EXPAND

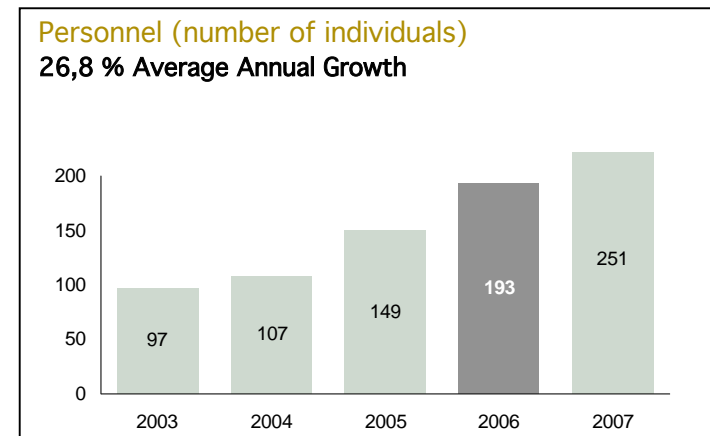
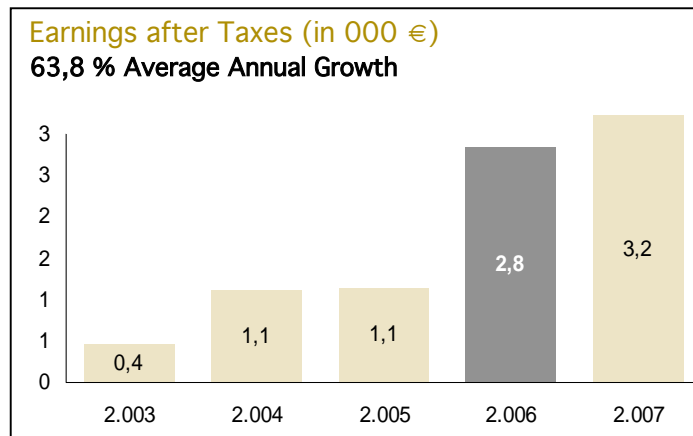
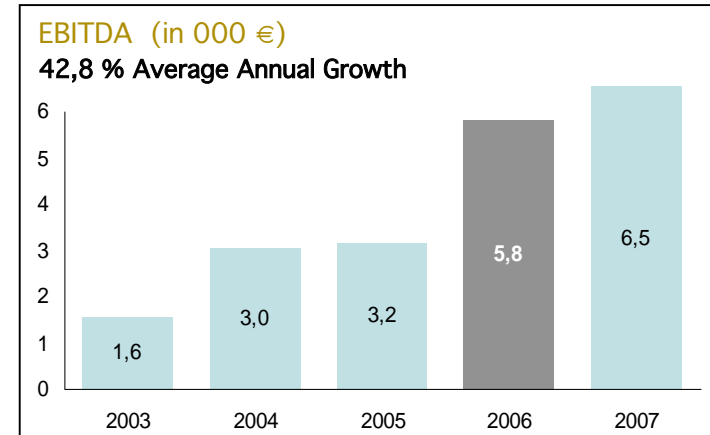
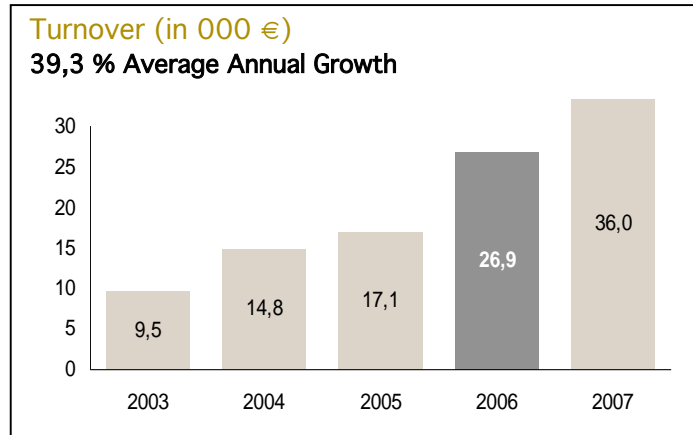


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DEVELOPMENT STRATEGY 1996-2010 KORRES NATURAL PRODUCTS

GROW-FOCUS-EXPAND

	1996-2000	2001-2006	2007-2010
<u>BRAND</u>	EXPANSION STRATEGY Unique positioning City Pharmacies CEO centered - Word of mouth ENTRANCE	FOCUS STRATEGY Establishment of New Categories Network Expansion Senior Staffing Airport –Attica Department Store Print Campaigns ESTABLISHMENT	GROWTH STRATEGY Innovative Technology Support of key points Matrix structure No additional openings TV Campaigns DEVELOPMENT
<u>DISTRIBUTION</u>			
<u>STRUCTURE</u>			
<u>STORES</u>			
<u>COMMUNICATION</u>			
GREECE			
<u>BRAND</u>	EXPANSION STRATEGY Cult / Global brand Launch in 30 markets Senior Staffing 6 stand alone stores PR Companies ENTRANCE	FOCUS STRATEGY New Categories Focus in top markets Key Partners Modelisation - Development Print / TV ESTABLISHMENT	
<u>DISTRIBUTION</u>			
<u>STRUCTURE</u>			
<u>STORES</u>			
<u>COMMUNICATION</u>			
ABROAD			



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