

EST. KORRES 1996

KORRES GROUP Q1 2015 FINANCIAL RESULTS



Q1 2015 Major Highlights

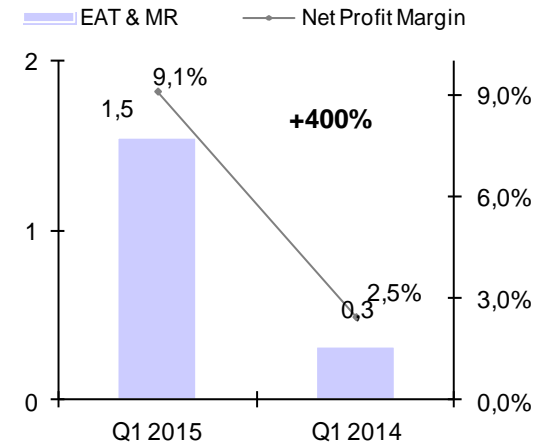
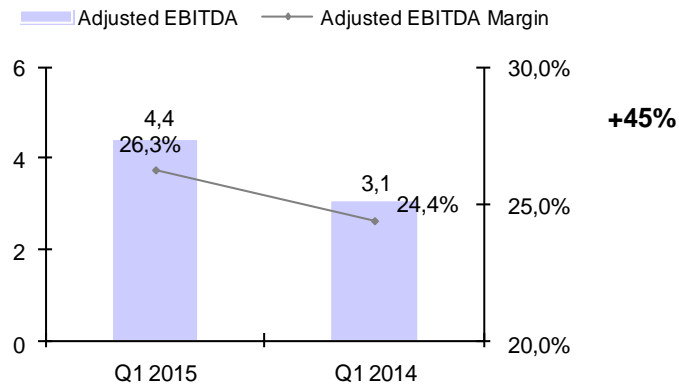
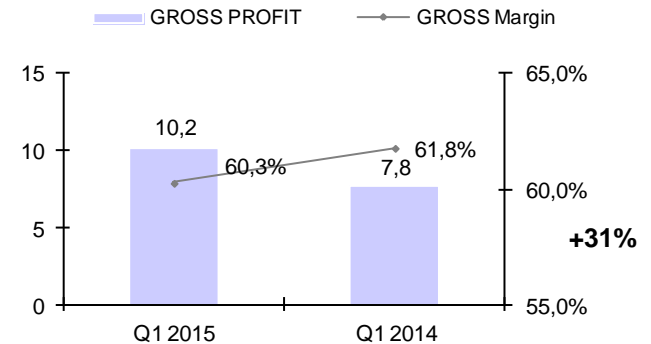
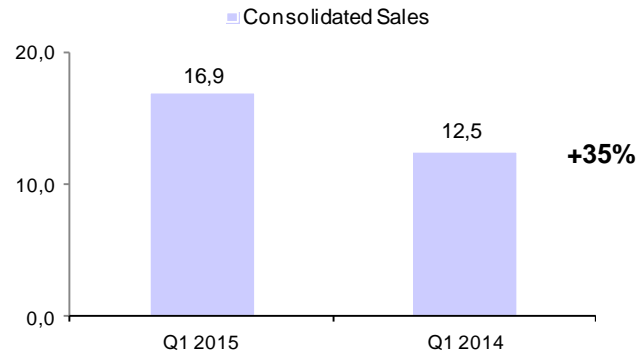
- **Substantial growth in Consolidated Sales: +35%.**
- **Further growth in Greece: +8%**
- **Strong growth in the international markets: 116%**
- **Growth of 102% in key European Countries (Germany, UK, Spain, France and Scandinavia)**
- **+45% growth in Operational profitability (Adjusted EBITDA)**

LAUNCHES Q1 2015

- Face/** : Successful Black Pine Re-launch, launch of a new moisturizing face line “Almond Blossom” and new mask and scrubs “Beauty shots”
- Hair category:** Continued 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.
- **Fragrances:**. A new line of fresh fragrances “Eau de Cologne”
- **Sun care:** Expanding the red grape line with the new “Red Grape Tinted”

Group Q1 2015 Financial Results at a Glance

- **Sales: +35%**, €16,9m in Q1 2015 from €12,5m in Q1 2014.
- **Adjusted EBITDA** (excluding the extraordinary restructuring cost impact): **+45%**, €4,4m from €3,1m in Q1 2014.
- **Reported EBITDA: +92%**, €4,4m in Q1 2015 from €2,3m in Q1 2014.
- **EAT & MR : (+400%)** €1,5m vs €0,3m in Q1 2014.

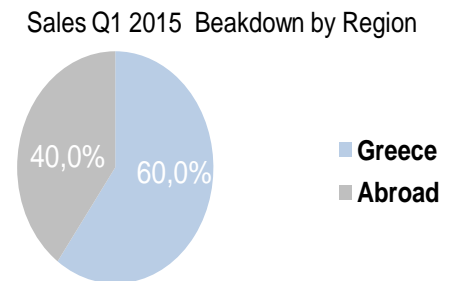
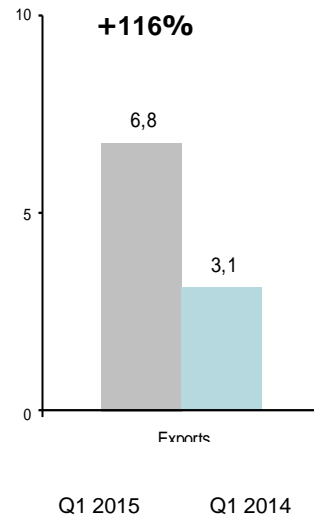
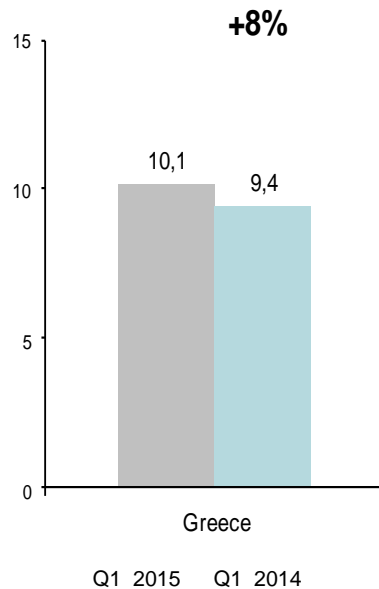


Q1 2015- Market Development



Q1 2015 Regional Analysis

- Greek sales, **increased by 8%**, following the strong performance of its strategic categories and the enhanced promo actions.
- **+116% growth in the international markets**, mainly coming from the good performance of the US market as well as the high growth of the key markets in Europe. In particular, Germany, UK, France, Spain and Scandinavia presented an average sales growth of 102% vs Q1 2014.



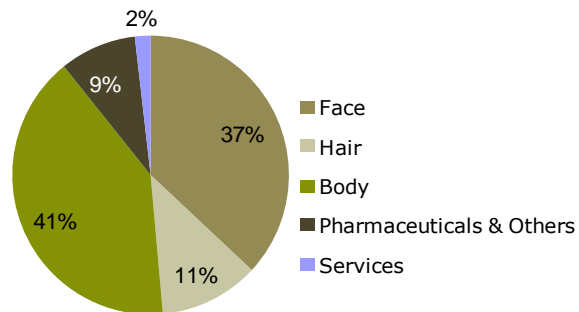
FY 2014- BU Development



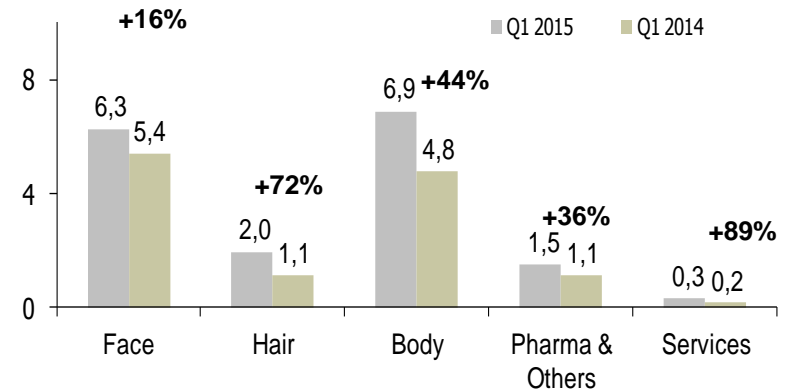
Q1 2015 Sales Growth by BU

- **Face & Color products. +16% increase**, mainly coming from the US market and the good performance in all countries.
- **Body products : strong +44% growth** coming from the strong performance of the category both in Greece (+18%) and abroad (+140%). Particularly, in Greece, core body products presented significant growth 20% and we had also the launch of the new fresh line “Eau de Cologne”. Abroad US, France, UK , Spain and Germany were the major contributors of the international growth.
- **Hair products: +72% increase**, driven by the strong performance of the new colorants “Argan oil advanced colorant” and the successful communication plan of the overall category.
- **Pharmaceutical & others: +36%**, following the SKU rationalization project and focusing in strong performing SKUs.

Q1 2015 SBU Turnover Breakdown



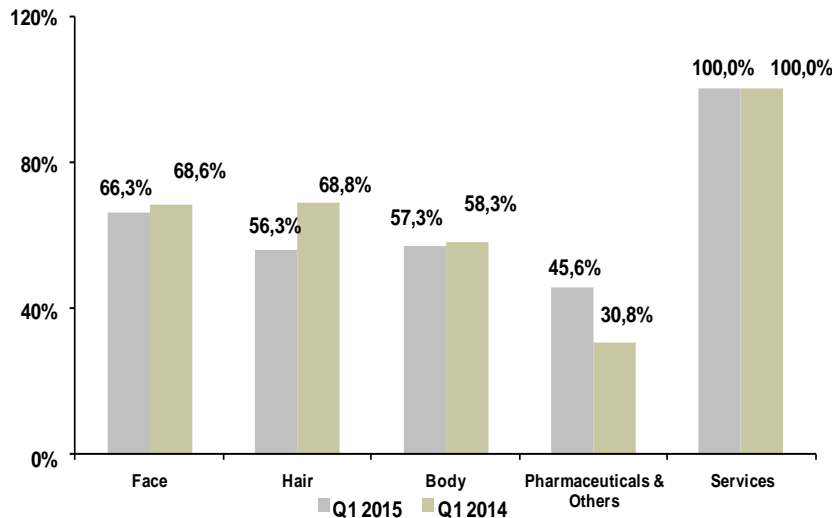
Consolidated SBU Turnover Analysis (€ mil.)



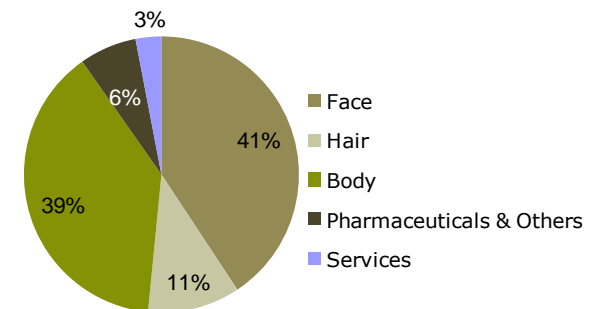
Q1 2015 Gross Profit Analysis

- Group's GM% was 60,3% in Q1 2015 from 61,8% in Q1 2014, due to the higher contribution of international sales and targeted promotional activities in Greece.
- GM% in Face & color category reached 66,3% in Q1 2015 from 68,6%, due to country mix and increased promo actions.
- Hair GM% reached 56,3% from 68,8%, coming mainly from increased promo actions .
- Body GM% was 57,3% from 58,3% in Q1 2014 due to product and country mix.
- Pharmaceuticals & Others GM% was 45,6% from 30,8% due to product portfolio optimization.

Consolidated SBU Gross Profit Analysis (€ mil.)



Q1 2015 SBU GP Breakdown



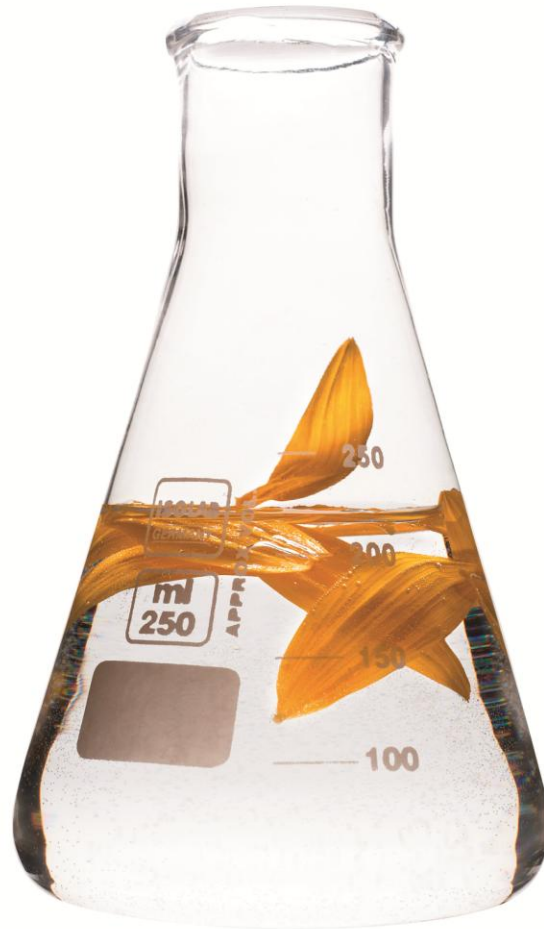
Q1 2015 Financial Position Highlights

<i>In m €</i>	Q1 2015	Q1 2014
ST Debt	11,8	12,3
LT Debt	19,6	19,6
TOTAL Debt	31,4	31,9
Net Debt	22,2	22,4

Group Q1 2015 Cash Flow Highlights

Cash Flow (€ m)	Q1 2015	Q1 2014	Change (%)
Operating Cash Flow	1,7	3,3	-49%
Investment Cash Flow	-1,4	-0,5	170%
Financing Cash Flow	-0,5	-0,4	37%
Net Change in Cash	-0,3	2,4	-113%
Cash and Cash Equivalents, Beginning of the Period	9,5	6,9	37%
Cash and Cash Equivalents, End of the Period	9,2	9,3	-1%

APPENDIX



P&L STATEMENT (Q1 2015 VS Q1 2014)

P&L	Q1 2015	Q1 2014	Change (%)
Revenues	16,9	12,5	35%
Cost of goods sold	-6,7	-4,8	40%
Gross Profit	10,2	7,8	31%
Gross Margin (%)	60,3%	61,8%	-2%
Operating Expenses	-6,9	-6,8	2%
Adjusted EBITDA (before restructuring cost impact)	4,4	3,1	45%
Adjusted EBITDA Margin (%)	26%	24%	8%
Reported EBITDA	4,4	2,3	92%
EBITDA Margin (%)	26,3%	18,4%	43%
Depreciation and Amortization	1,2	1,3	-12%
EBIT	3,3	1,00	229%
Operating Margin (%)	19,5%	8,0%	144%
Net Interest Income/Expenses	-0,5	-0,6	-10%
Investment Results	0,00	0,0	-24%
Earnings Before Tax (EBT)	2,8	0,4	525%
EBT Margin (%)	16,5%	3,6%	364%
Tax	-1,3	-0,2	472%
Earnings After Taxes (EAT)	1,5	0,2	579%
Minority rights	-0,05	-0,1	-46%
Reported Earnings after Taxes and Minorities (EATAM)	1,5	0,3	400%
Reported EATAM Margin (%)	9,1%	2,5%	272%

BALANCE SHEET (Q1 2015 VS 2014)

Balance Sheet (€ m)	Q1 2015	FY 2014	Change (%)
Assets			
Property, Plant and Equipment	16,3	16,2	0,3%
Intangible Assets	7,3	6,9	5,1%
Investments in Subsidiary & Associated Companies	0,3	0,3	1,4%
Financial Assets for Sale	0,3	0,3	-10,0%
Goodwill	7,5	7,5	0,0%
Deferred Taxation	0,8	0,5	44,2%
Other Long-Term Receivables	0,2	0,1	25,3%
Total Non-Current Assets	32,7	32,0	2,0%
Inventories	16,6	16,9	-1,5%
Customers and Other Receivables	14,7	10,9	34,1%
Cash and Cash Equivalent	9,2	9,5	-3,2%
Total Current Assets	40,5	37,3	8,5%
Total Assets	73,1	69,3	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	0,7	0,7	-3,3%
Retained Earnings	-4,1	-5,8	-28,6%
Shareholders' Equity to the Shareholders of the Company	18,6	17,0	9,6%
Minority Interest	-1,00	-0,96	5,0%
Total Shareholders Equity	17,6	16,0	9,9%
Long-term Loans	19,6	19,6	-0,1%
Deferred Tax Liabilities	0,6	0,0	1406,6%
Retirement Benefit Obligations	1,0	1,0	2,5%
Total Long-Term Liabilities	21,2	20,6	3,0%
Suppliers and Other Liabilities	22,4	20,3	10,6%
Short-Term Loans	11,8	12,3	-4,2%
Current Tax Liabilities	0,1	0,1	-3,5%
Total Current Liabilities	34,3	32,7	5,0%
Total Liabilities	55,5	53,3	4,2%
Total Shareholder's Equity and Liabilities	73,1	69,3	5,5%

THANK YOU

