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SARANTIS

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*! Sarantis Group of companies
during 2000 achieved
significant growth rates
in its turnover*

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L e t t e r t o t h e S h a r e h o l d e r s

Dear Shareholders,

2000 was a contradictory year for the majority of the listed companies in the Athens Stock Exchange. In that environment, GR SARANTIS S.A. was not an exception.



The Sarantis Group of companies during 2000 achieved significant growth rates in its turnover (38% increase), as well as in its operational results in terms of earnings before depreciation and financial expenses (74% increase).

The Group's earnings before taxes, however, presented a decrease of 18%. That situation derived from the slow down of the Greek stock market, which resulted to the decrease of the Sarantis portfolio valuation.

The major challenges for Sarantis management for the following three years are oriented in two basic directions. Firstly, we are determined to further accelerate our growth both in Greece and in Eastern Europe, focusing on the Group's own brands and international partnerships.

Secondly, our goal is to increase the Group's efficiency in all levels through a continuous effort to reduce our operational costs. This reduction will also be the result of an integration process in the Group's subsidiaries activities.

To conclude, I should also comment on the strategic participation of GR SARANTIS S.A. in the share capital of the listed companies Duty Free Shops S.A. and MULTIRAMA S.A. (previously Athinaia).

The Group has invested 19 billion GRD in these participations with a long-term prospect. We firmly believe that our choices will prove to be right.

However, during the next 3-5 years Sarantis management has decided to divert the above funds in sectors that are connected with the Group's core activities.

With honour,

Gregory Sarantis

President of the Board
of Directors

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*! The year 2000 was another
successful year for the
SARANTIS Group.*

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T h e p r o g r e s s o f t h e G r o u p i n 2 0 0 0

The year 2000 was another successful year for the Sarantis Group with remarkable growth rates both locally and abroad. In comparison to 1999, sales increased by 38% reaching 59,5 billion GRD, while profits reached 4,8 billion GRD decreasing by 18%, due to non-operational income.

The main factors of this positive operational result were mainly the strong sales performance, especially of the cosmetic products and the important contribution of the subsidiary companies in Greece and abroad. Moreover, the Group's companies in the area of pharmaceutical products, pet accessories and car accessories developed intensively during 2000, contributing in that way to the Group's rising course. Parallel to the sales growth, the Group increased its gross margin factor by 2,9 points. This improvement is due to the constantly increasing contribution of the cosmetic products to the Group's turnover, as well as to the savings coming from the new production and storage facilities at Oinofita Viotias.

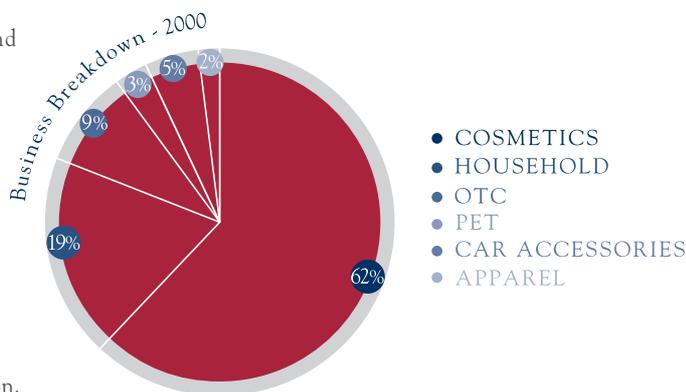
The year 2000 is characterised by the Group's efforts for strategic expansion in overseas markets. B.U. is distributed with great success in 23 foreign countries and STR8 in 15. It is worth pointing out that B.U. brand sales continue their outstanding course not only in the Balkan region, but also in a number of new countries, such as Holland, Austria, Portugal, Spain, Lebanon and Cyprus. Additionally, a number of important agreements were made between the Sarantis Group and foreign companies of strategic importance with the objective to further reinforce the Group's distribution network. The most characteristic example is the new agreement between the Group and the multinational company PUIG, based in Spain, with significant presence also in Portugal and Latin America. The co-operation of the two Groups started with the reciprocal distribution of Diavolo fragrance line of PUIG by Sarantis and of BU fragrance of Sarantis by PUIG. This co-operation is expected to extend in a variety of other brands in the future.

At the same time, the Group's subsidiaries in Eastern Europe continued their outstanding course during 2000, presenting a sales increase of 52%. The significant development of the subsidiary company in Romania, as well as the rising course of the newly established one in Poland are the main reasons for the above sales increase.

Furthermore, the Sarantis Group expanded during 2000 in the pharmaceutical market, acquiring 49% of the K.P. Marinopoulos S.A. company, whose objective is the distribution and representation of pharmaceutical products with a remarkable export activity in the European countries. K.P. Marinopoulos S.A. through its extensively developed distribution network and its long-term partnership with the biggest drugstores in Greece is expected to reinforce the Group's efforts in this particular area.



In 2000 the cosmetic products and especially the selective market showed an impressive sales performance, due to the acquisition of ZETA S.A. company and simultaneously the Joint Venture agreement between the Sarantis Group and Estee Lauder Inc., which was completed in October 2000 involving Greece and the Balkan area. This new corporation,



located in Athens, is responsible for the interests of Estee Lauder Inc. in the Balkan area. Estee Lauder Group of companies has a leading position in the international cosmetics market, distributing a range of famous products. In the new company, Estee Lauder is holding 51% of the shares, while GR SARANTIS S.A. is holding 49%.

As a result of these developments, the sales of cosmetic products, a line with high gross margin factors, achieved the highest growth rate among all the Group's product lines thus representing 62% of the turnover in 2000.

AREA OF ACTIVITY	1999	2000	%chg
COSMETICS	21.256	36.998	74
• Mass market	15.364	18.241	19
• Selective market	3.340	17.664	429
• DFS	2.550	1.093	-57
Household products	10.600	11.376	7
OTC	4.664	5.310	14
Pet products	1.100	1.773	61
Car accessories	1.600	3.208	101
Apparel	3.900	931	-76
TOTAL	43.100	59.596	38

The Group's own products, the majority of which are holding a leading position in the market, have contributed substantially to this growth. The range of these products and their position in the market is depicted in the following table:

CATEGORY	MARKET SHARE	POSITION	PRODUCTS
COSMETICS	Men's toiletries	20%	1 STR8, PROSAR
	Women's perfumes	70%	1 BU, 99, CLOCHARD
	Suncare products	10%	2 CARROTEN
OTC	Vitamins	26%	1 LANES
HOUSEHOLD	Plastic bags	67%	1 FINO, SANITAS
	Shoe polishing	70%	1 CAMEL
	Aluminum foil	62%	1 SANITAS-SANITAS
	Toilet care	25%	1 AFROSO, RIVA
	Dishwashing liquids	7%	5 TRYLET
	Insecticides	14%	3 PYROX-TEZA
	Drainpipe cleaner	45%	1 TUB-O-FLO
	Moth repellents	9%	2 VETO

The Group's portfolio of products also includes a range of distinguished international brands. These well-established brands account for 40% of the Group's turnover. The main international trademarks for which the Group has the exclusive agency and distribution are the following:

COMPANY	BRANDS	YEARS OF COOPERATION
ESTEE LAUDER	ESTEE LAUDER, CLINIQUE, ARAMIS, DONNA KARAN, PRESCRITIVES, TOMMY	30
JUVENA SWITZERLAND	JUVENA	20
ORLANE	ORLANE	15
MONTANA	MONTANA	15
VERSACE	VERSACE	13
EUROCOS (P&G)	LAURA BIAGIOTTI, HUGO BOSS	12
COTY (BENCKIZER GROUP)	JOOP, ADIDAS	10
NINA RICCI	NINA RICCI	8
BRISTOL MYERS SQUIBB	CLAIROL, MUM	7
CARTER WALLACE	TROJAN, PEARL DROPS	6
HELEN CURTIS	SALON SELECTIVES	4
IAMS (P&G)	EUKANUBA	3
ARTZANA GROUP	KORFF	3

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*!One of the most
important partnerships
in the history of the Group*

3

ESTEE LAUDER - GR SARANTIS S.A.: together for a more beautiful world

The agreement between Estee Lauder Inc. and GR SARANTIS S.A. is one of the most important partnerships in the history of the Group and is expected to further reinforce the Group's position. Estee Lauder Inc. is one of the world's leading manufacturers and marketers of quality skin care, makeup, fragrance and hair care products. For the fiscal year 2000, its net sales reached 4,4 billion dollars and its net profits outreached 314,1 million dollars. The company has a continuous growth during the past 45 years.

Estee Lauder Inc. was established in 1946. The company's products are sold in over 120 countries under well-recognised brand names, including:

- **Estee Lauder:** A great variety of makeup and skin care products, as well as fragrances for men and women. Its products are technologically advanced and innovative and they are well known for their premium quality. They are sold in more than 9.000 shops worldwide.
- **Clinique:** Offers a wide range of skin care, makeup, hair care products and fragrances for men and women. All the products are allergically tested and they are sold in more than 9.000 shops in more than 80 countries.
- **Aramis:** Prestige men's grooming products, such as skin care products and fragrances. They are sold in more than 10.000 shops all over the world.
- **Prescriptives:** Offers a high quality range of makeup, skin care products and fragrances that aim to cover the needs of the modern woman.
- **ORIGINS Natural Resources:** Offers skin care and hair care products, fragrances and baby care products using high quality botanical ingredients and essential oils.
- **M-A-C:** The brand includes a big range of high quality professional makeup and skin care products. It holds the leading position among professional makeup artists and it is very popular to the consumers. M-A-C products are sold in 25 countries.
- **LA MER:** It is a complete line of skin care and body care products.
- **BOBBIE BROWN essentials:** An innovative and professional beauty care line, which includes makeup, skin care products and fragrances.
- **TOMMY HILFIGER Toiletries:** Estee Lauder Inc. has internationally the licensing agreement for the development and promotion of a range of cosmetics and fragrances under the brand name Tommy Hilfiger.

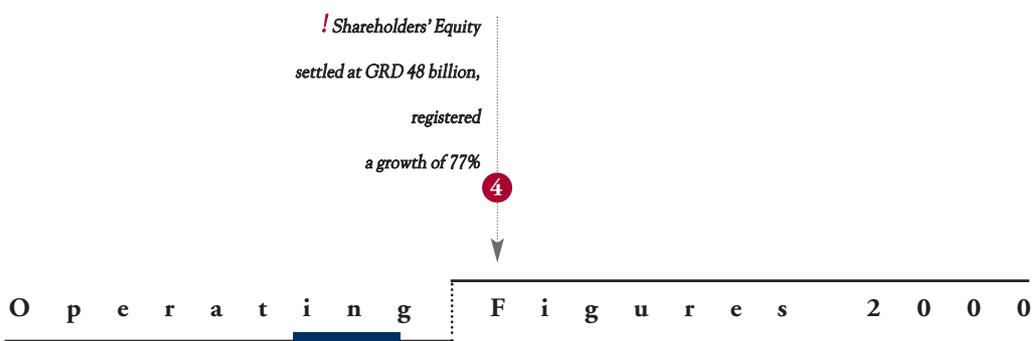
- **Jane:** This specific brand offers a complete line of skin care and makeup products targeting to a consumer group of young girls, aged from 12 to 19 years old.
- **DONNA KARAN cosmetics:** Estee Lauder Inc. holds the international licensing agreement for Donna Karan fragrances and cosmetic products since 1997.
- **AVEDA:** Hair care products, based on natural plant ingredients.
- **STILA:** The brand is well known for its stylish makeup products and ecological packaging. It aims at a young consumer audience that follows fashion trends.
- **JO MALONE:** The brand was created by the English entrepreneur Jo Malone and includes specialised skin care products and fragrances.
- **BUMBLE & BUMBLE:** A premier line of hair care products.



It is worth mentioning the unique balance that Estee Lauder Inc. has concerning their brands, since they have created a unique image through advertising and marketing for all their products ranges. Additionally, the company focuses on the development of more brands and the evolution of the existing brand portfolio, by creating new product categories through its advanced Research and Development department.

The Joint Venture agreement between GR SARANTIS S.A. and a leading group of companies, like Estee Lauder, is expected to reinforce even more the position of the Sarantis Group in the market and to achieve a significant growth in the Group's turnover and profits in the following years.

	2001	2002	2003
SALES	17,5	21,1	24,5
PROFITS BEFORE TAX	3,3	4,0	4,6



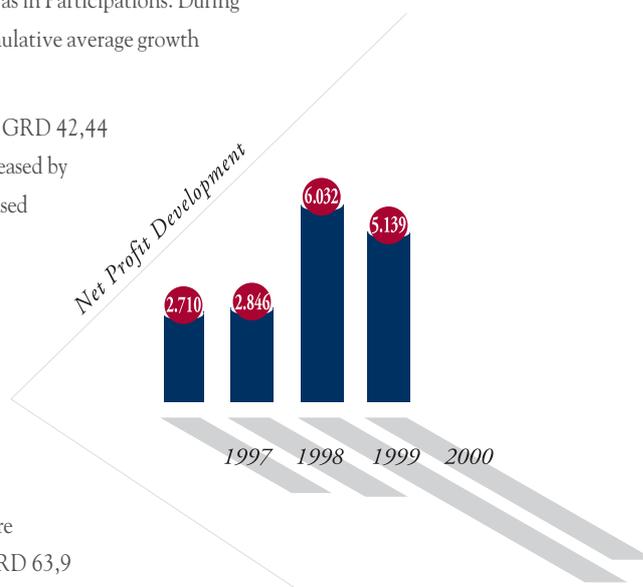
Total Assets, in consolidated basis, registered a worth mentioning increase of 43.1% and settled at GRD 111,13 billion. Total Assets increased approximately by GRD 33 billion, due to a growth in total Current Assets, as well as in Participations. During the period 1996-2000, the total Assets registered a cumulative average growth rate of 63%.

The Net Fixed Assets, after depreciation, settled at GRD 42,44 billion as compared to GRD 23.30 billion in 1999, increased by 82%. Concerning the group's total Current Assets increased by 22% and settled at GRD 64,1 billion. The particular increase was due to the increase of Accounts Receivable (+53%), as well as to Cash, which registered an increase of 214% and reached GRD 11,1 billion. On the other hand, Securities reported a decrease of 34%, while Inventory remained stable at GRD 63,9 billion.

In 2000, the total Liabilities, registered an increase. More particularly, the Short Term Liabilities settled at GRD 63,9 billion, increased by 67,7%, while the Long Term Liabilities settled at GRD 8.5 billion as compared to GRD 17,71 billion in 1999. In 2000, the current ratio registered an increase as it settled at 1.05, compared to 0.91 in the fiscal year of 1999.

The Group's Shareholders' Equity verifies its financial position. More particularly, the Shareholders' Equity settled at GRD 48,1 billion, registering a growth of 77%. It is worth mentioning that the ratio Shareholders' Equity to Total Assets settled at 44.56% as compared to 34.93% in 1999.

The Turnover, in consolidated basis, grew by 38% and settled at GRD 59,59 billion, as compared to GRD 43.15 billion in 1999. During the period 1996-2000, the consolidated Turnover registered a cumulative average growth rate of 39.4%, remaining at high levels as compared to the companies of the sector, as well as to the other listed in the Athens Stock Exchange companies.

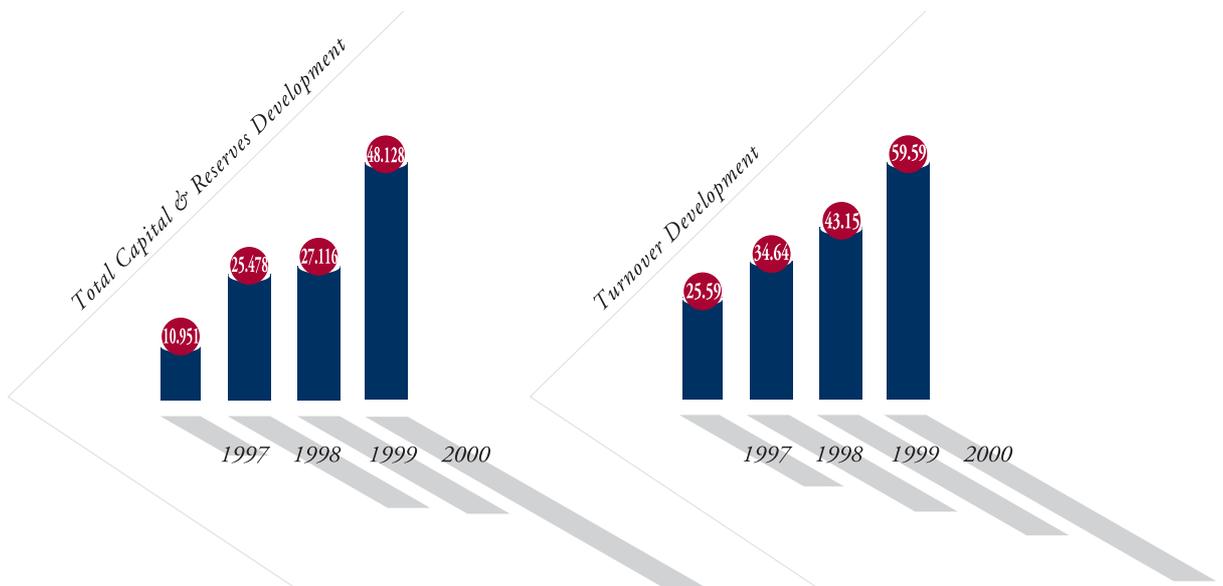


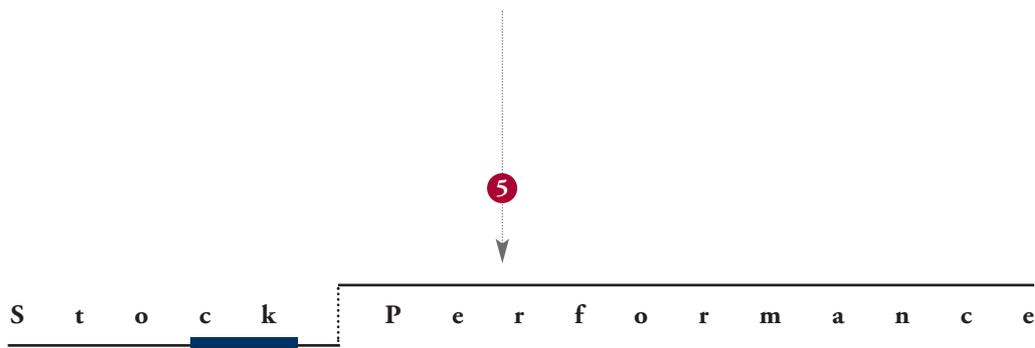
Gross Profit Margin settled at 47%, recording an increase as compared to 1999, while the particular figure could be considered rather satisfactory due to Group's constant expansion in new products, which have different gross profit margins.

Administrative Expenses, in consolidated basis, increased by 39.7%, at GRD 4,08 billion, due to the Group's growth, while as percentage to Turnover settled at 6,8%, as well as in 1999. The Distribution Expenses showed a modest growth rate (+42,6%) and reached GRD 18.07 billion, as compared to GRD 12.67 billion in 1999, while as a percentage to Turnover settled at 30.32%, showing a slight increase as compared to 29.37% in 1999.

Interest Expenses exceeded Interest Income by GRD 631 million. Moreover, the increase of Extraordinary Expenses by 72% consisted another reason that Pretax Profit decreased. More particularly, the Pretax Profit, in consolidated basis, registered a declining rate as compared to turnover's growth rate. Particularly, the Group's profit reached GRD 5,13 billion (-14,8%), in comparison to GRD 6.03 billion in the fiscal year of 1999. The Pretax Profit after minorities settled at GRD 4,83 billion as compared to GRD 5.92 billion in 1999. The Net Profit Margin settled at 8.10%, as compared to 13.72% in 1999.

Total Assets' return (ROA) reached 4.47%, as compared to 7.63% in 1999, while Equity's return (ROE), settled at 10% as compared to 21.8% in 1999.





During 2000, stock prices, as well as trading volume on the Athens Stock Exchange registered a substantial correction. The General Index registered a decrease of 38.77%, while the average daily trading volume settled at 30,296,288 shares. The company's share followed the general trend and as a result registered a decrease of 73.94%. The average daily volume settled at 85,318 shares as compared to 90,704 shares in 1999. The institutional reforms that will take place, as well as the shift in the country's status from an emerging market to a developed one and the Sarantis' Group further expansion will anticipate the maintenance of the share's price at an upward trend.

SARANTIS -GENERAL INDEX (01/01/00 - 29/12/00)



SARANTIS - INDUSTRIAL INDEX (01/01/00 - 29/12/00)



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! Sarantis Group of companies
consists of 21 subsidiaries.

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T h e S u b s i d i a r i e s P r o g r e s s

ZETA S.A.

In October 2000, a Joint Venture co-operation preliminary agreement between Estee Lauder Group of companies and GR SARANTIS S.A. was signed concerning Greece and the Balkan area. This agreement included the merger between the companies EKAS S.A. and ZETA S.A. and the purchase of the total shares of the latter by GR. SARANTIS S.A. ZETA S.A. is responsible for the interests of Estee Lauder Inc. both for Greece and the Balkan area. The company's turnover in 2000 reached 21.371 million GRD and its profits before tax 2.544 million GRD, while the consolidated turnover reached 14.996 million GRD and its profits 2.519 million GRD.



SANITAS-SANITAS S.A.

The company's objective is the production and trade of:

1. Aluminum foil and trays as well as food packaging products under the trademarks SANITAS and FINO.
2. Shoe polishing products by the brand name CAMEL.
3. Detergents, bleaches, insecticides and room deodorants under the trademarks AFROSO, RIVA, SKOT, RIVEX and VETO.

In 2000, the company additionally took over MARISAR S.A. and VICTORY S.A. The company sales in 2000 reached 8.583 million GRD and its profits before tax 1.131 million GRD.

LOBELIN S.A.

The company operates in the area of pharmaceutical products and non-prescribed drugs. Moreover, after the acquisition of the company VITALMINA S.A., it also operates in the field of pharmaceutical products of natural origin and thalassotherapy products. The company sales in 2000 increased in comparison to 1999 and reached 3.931 million GRD, while its profits before tax reached 450 million GRD.

K. THEODORIDES S.A.

The company's objective is the exclusive import and trade of car accessories with the brands OTO TOP, GUARD, TURTLEWAX, DISNEY and WARNER in Greece, Cyprus and other Balkan countries. The company's turnover in 2000 reached 3.207 million GRD and its profits before tax 303 million GRD (the fiscal year has been extended six months so as to match the Group's closing date, which is December 31st).

PHARMACARE S.A.

PHARMACARE operates in the Greek and Balkan market, representing and distributing pharmaceutical and cosmetic products

in drugstores. The company has significant market shares in all product categories where it has a presence, carrying the brand names CLEARBLUE, KORFF, FILOVIT, MERZ, MANICARE and others. PHARMACARE's turnover in 2000 reached 1.708 million GRD and its profits before tax 133 million GRD.

ROI.S.A.

The company represents, produces and trades pet food and pet accessories under the brand name LE CHEF. In 2000, the company sales reached 973 million GRD, presenting a loss of 78 million GRD.

G.M. IOANNOU S.A.

The company, which operates both in the Greek and the foreign market, produces and trades cotton products. In G.M. IOANNOU S.A. facilities, TOKALON cotton brand, as well as cotton products for other companies are produced. In 2000 the company sales reached 844 million GRD and its profits before tax 17,4 million GRD.

PET LEADERS S.A.

The company's activity is the representation and distribution of IAMS-EUKANUBA pet food and pet accessories. The company's turnover for 2000 was 799 million GRD, with 10,8 million GRD gross profits.

P.A.GIANNASS.A.

The company produces and trades children's clothing and accessories carrying the MARASIL brand. In 1999, the Group signed an agreement for the sale of MARASIL trademark to FRAGOS S.A., a company which operates in the children's wear business. The company's turnover in 2000 reached 788 million GRD, having a loss of 506 million GRD, as a result of the liquidation of the company after the sale of MARASIL trademark.

THE PROGRESS OF THE SUBSIDIARIES ABROAD

The year 2000 was a year of solid growth for the Group's subsidiary organisations in Central and Eastern Europe. The sales of the subsidiaries abroad increased by 36% (1.806 million GRD) compared to the sales in 1999. Evidently, the sales growth was the result not only of the aggressive expansion (in Poland, August 2000), but also of the successful launches of new products or line extensions.

ROMSAR S.A., Romania

The company was established in September 1996. In year 2000 ROMSAR further strengthened its nationwide sales network with a sales force of 120 people. Sarantis' international mass fragrance brands B.U. and STR8 ranked No4 and No3 in value respectively





in the top female and male fragrances in Romania. The company's turnover in 2000 was 4.070 million GRD, showing an increase of 33% versus 1999, while its profits before tax reached 396 million GRD.

Distributed products:

Selective distribution: Direct distribution of Juvena and La Prairie. Participation in Estee Lauder, Clinique, Aramis, Tommy, Donna Karan, and the Body Shop.

Mass distribution: SARANTIS products, Gillette, L'Oreal, Friesland, Manetti/Neutro Roberts, Unilever (Ponds), Smithkline Beecham (Aquafresh, Oxy).

SARANTIS BULGARIA LTD, Bulgaria

The company was established in July 1994. Its main objective was the distribution and representation of SARANTIS products in Bulgaria. At present SARANTIS BULGARIA has achieved nationwide coverage through its offices and warehousing facilities in the main cities of the country, while in 2000 maintained and further strengthened its leading position in both cosmetics and consumer goods sectors. Its turnover in 2000 was 1.340 million GRD with a loss of 38 million GRD.

Distributed products:

Selective distribution: Estee Lauder, Clinique, Aramis, Tommy, Donna Karan, Juvena, La Prairie, Versace, Boss, Giorgio Beverly Hills, Laura Biagiotti, Max Factor.

Mass distribution: SARANTIS products, BMS (Clairol Herbal Essences), Wella Hair Care, Seventeen (Spirit & Trendy).

SARANTIS POLAND S.A.

The company was established in 2000 and specifically its commercial operations began in September 2000 with the distribution of Sarantis' brands B.U. and STR8. The successful launching and marketing support of the brands together with the fast and wide distribution development resulted to the acquisition of impressive market shares of the market. The turnover for the fourth quarter of 2000 was 1.125 million GRD with a loss of 254 million GRD due to the big investments for the establishment of the subsidiary and to the advertising and promotion expenses, which were necessary for the launching of the products in this new market.

The strategic goal of SARANTIS POLAND is to become the leading distribution company in the cosmetic sector in Poland.

Distributed products: SARANTIS products (B.U. & STR8), Bristol-Myers Squibb.

NETWEST DISTRIBUTION SERVICES LTD, Yugoslavia

The company was established at the end of 1997. After the end of the war in the region and the political restructure, the worst seems to be over. In 2000 the company managed to maintain its position in the market despite the unfavorable economic and political conditions and reached a turnover of 105 million GRD with profits before tax of 172 million GRD.

Distributed products: SARANTIS products, Papoutsanis.

NETWEST DISTRIBUTION SERVICES LTD, F.Y.R.O.M.

The company was established at the end of 1997. In 2000 the company maintained its positive momentum in the cosmetics sector and improved its position in the consumer goods sector by adapting to the new market conditions. Its turnover in 2000 reached 171 million GRD and its profits before tax 8,6 million GRD.

Distributed products: SARANTIS products, BMS (Clairol Herbal Essences), Friesland, Wella, Papoutsanis.

SARANTIS DEUTCHLAND GMBH,

SARANTIS FRANCE S.A.R.L., SARANTIS U.K. LTD

The three companies have their head offices in Germany, France and United Kingdom respectively and started their business activity in 1999. Their objective is the representation and distribution of the SARANTIS products in the aforementioned countries. Even though 2000 was a year of testing of these markets that present a great number of difficulties, there was a significant sales growth in all three companies. Specifically, for Germany, the turnover was 43 million GRD, for France it was 235 million GRD and for the United Kingdom it was 11 million GRD having a total loss of 337 million GRD.

SARANTIS HUNGARY LTD

The company has not developed any business activity yet and its objective is the entry of the Sarantis Group of Companies in the Hungarian market.

SARANTIS GLOBAL LTD

The company is registered in Cyprus. Through SARANTIS GLOBAL, a part of the company's sales and exports to the countries that there is no subsidiary is carried out. Its turnover in 2000 reached 375 million GRD and its profits before tax reached 110 million GRD.

VENUS S.A.

It is a holding company without any business activity. The company has the majority of the share capital of ZETA S.A.



BRIARDALE

The company has no business activity. It participates though in the share capitals of some subsidiary companies of the Sarantis Group in the Balkan region.

PERFORMANCE OF SUBSIDIARY COMPANIES

Company	% of Ownership	Turnover (in million GRD)	Profit before Tax (in million GRD)
ZETA S.A.	8,40%	21.371	2.544
SANITAS-SANITAS S.A.	95,33%	8.583	1.131
ROSMAR COSMETICS	99,20%	4.070	396
LOBELIN S.A.	90,00%	3.931	450
K. THEODORIDES S.A.	50,00%	3.207	303
PHARMACARE S.A.	55,00%	1.708	133
SARANTIS BULGARIA	99,43%	1.341	-38
SARANTIS POLAND S.A.	100,00%	1.125	-254
ROI S.A.	70,00%	973	-78
G. M. IOANNOU S.A.	35,00%	844	17
PET LEADERS S.A.	69,96%	799	10
P.A. GIANNAS S.A.	99,97%	788	-506
SARANTIS GLOBAL LTD	100,00%	375	-110
SARANTIS FRANCE SARL	100,00%	235	-163
NET WEST FYROM	85,00%	171	8,6
NET WEST YUGOSLAVIA	92,02%	104	172
SARANTIS DEUTCHLAND GMBH	90,00%	43	-58
SARANTIS UK LTD	100,00%	11	-116
VENUS S.A.	99,20%	0	185
BRIARDALE		0	0
SARANTIS HUNGARY LTD	100,00%	0	-34

SARANTIS



! The Group's turnover is expected to present a significant increase of 18% reaching 70 billion GRD.

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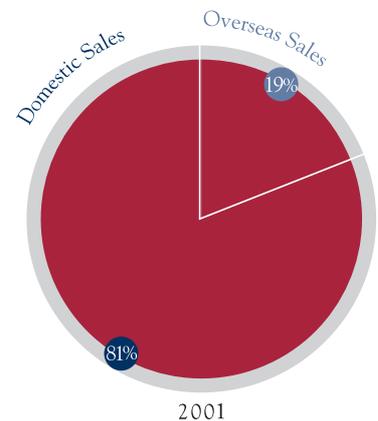
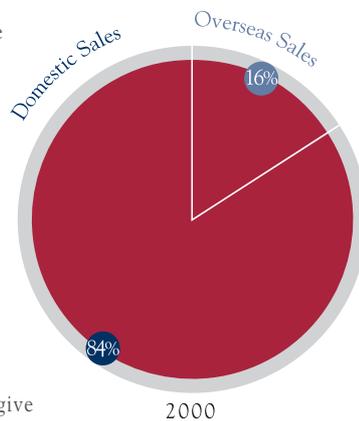
For 2001 the key goals of the Sarantis Group preview even more positive results. The Group's turnover is expected to present a significant increase of 18% reaching 70 billion GRD, while the profits are expected to reach 5,4 billion GRD, increased by 12% in comparison to 2000. More specifically, overseas sales will increase, accounting for 19% of the Group's turnover in comparison to 16% of the previous year.



I. The main factor for the Group's rising course will be its common business activity with Estee Lauder Inc. This growth will derive from three sources: Firstly, from Estee Lauder and Clinique brands that will be launching in the future innovative products created by the Estee Lauder R&D department. Secondly, from the launch of new products, already distributed abroad, in the Greek and Balkan market. For example, a M-A-C shop is going to open for the first time in the centre of Athens. Thirdly, from the business activity of the new company in the Balkan area through its expansion in new markets with new points of sales. Specifically, 50 new points of sales for Estee Lauder products are going to operate in Romania in the following three years and 35 new points of sales will operate in Bulgaria. Additionally, in the next two years Estee Lauder products will also be sold in Yugoslavia and F.Y.R.O.M.

II. Another factor for the Group's rising course in 2001 will be the continuation of the growth momentum in sales and profits through the Group's own brands and through new acquisitions and partnerships. More specifically, the existing successful product portfolio is going to expand in other product lines, while significant alliances with strategic multinational players are expected to be formed. One significant example is the partnership between the Sarantis Group and BOOTS HEALTHCARE International, which involves the exclusive agency and distribution of Clearasil brand in Greece.

III. Further growth of export sales is expected in the foreign markets, that is to say in the greater Balkan area where the subsidiary companies are established, but also in Western Europe and other countries, such as Saudi Arabia, Lebanon, Turkey, and Mexico. In these countries Sarantis the Group wishes to develop a strong position in the mass distribution fragrance market for men and women. In this perspective the partnership with the Spanish company PUIG is expected to give positive results in 2001.



SARANTIS GROUP OF COMPANIES

Public Companies

Reg. No. 19083/06/86/27
8th YEAR (January 1-December 31, 2000)

	2000	1999	1998	1997
A. S. E. T. S.				
B. FORMATION EXPENSES				
1. Preliminary expenses	46,118,924			
2. Other formation expenses	5,318,028,850			
	<u>5,364,147,774</u>			
C. FIXED ASSETS				
I. Intangible Assets				
1. Differences in consolidation	26,504,209,191			
2. Concessions, patents, licenses, trade marks and similar rights and assets	9,259,109			
3. Other value of the enterprise	8,818,840			
4. Other intangible Assets	21,567,648			
	<u>41,178,765</u>			
II. Tangible Assets				
1. Buildings and technical works	27,203,866,748			
2. Machinery/technical installations and other mechanical equipment	879,886,540			
3. Transportation equipment	7,277,991,824			
4. Prepayments and assets under construction	2,539,078,870			
	<u>36,699,823,982</u>			
	4,765,101,650			
	<u>41,464,925,632</u>			
III. Financial Assets				
1. Participating interests in affiliated under.	20,810,616,911			
2. Participating interests in other under.	5,098,217,260			
3. Other financial assets	99,544,769			
	<u>25,903,378,940</u>			
Total Fixed Assets (Ch+ChC+II)	<u>67,082,126,772</u>			
D. CURRENT ASSETS				
I. Stocks				
1. Merchandise	7,212,655,496			
2. Finished, semi-finished products, byproducts, and scrap	962,681,103			
3. Work in progress	1,414,892,169			
4. Raw and auxiliary materials, consumables, spare parts and packing items	1,527,116,892			
5. Advance payment for stock	391,330,263			
	<u>11,908,675,923</u>			
II. Debtors				
1. Trade debtors	19,880,916,885			
2. Notes receivable	316,653,201			
3. In portfolio	0			
4. Banks to pledge	17,619,729			
5. Advances to banks	147,034,745			
6. Advances to other debtors	690,447			
	<u>20,462,051,017</u>			
III. Provisions				
1. Cheques receivable as pledged	552,383,269			
2. Blocked deposits	104,087,051			
3. Short term claims in affiliated under	0			
4. Doubtful trade and other debtors	38,196,714			
5. Sundry debtors	254,506,117			
6. Advances to account for	0			
	<u>949,073,031</u>			
Total Current Assets (Ch+ChC+II+III)	<u>22,314,729,048</u>			
Total Assets (A+B+C+D)	<u>89,396,855,820</u>			
LIABILITIES				
A. CAPITAL AND RESERVES				
1. Paid-up capital	37,800,000 shares at D.s. 500	37,800,000	37,800,000	37,800,000
2. Reserves from liquidation of other assets	12,643,682	12,643,682	12,643,682	12,643,682
3. Grants for investments in fixed assets	191,107,664	191,107,664	191,107,664	191,107,664
	<u>49,551,354</u>	49,551,354	49,551,354	49,551,354
II. Share premium account	497,217,756	497,217,756	497,217,756	497,217,756
III. Revaluation Reserves-Investment Grants	21,233,596	21,233,596	21,233,596	21,233,596
1. Extraordinary reserves	2,557,732,294	2,557,732,294	2,557,732,294	2,557,732,294
2. Tax-free reserves under special laws	3,076,183,646	3,076,183,646	3,076,183,646	3,076,183,646
	<u>5,633,915,936</u>	5,633,915,936	5,633,915,936	5,633,915,936
IV. Results carried forward	224,881,521	224,881,521	224,881,521	224,881,521
Total Capital and Reserves (A+II+III+IV)	<u>56,108,344,227</u>	56,108,344,227	56,108,344,227	56,108,344,227
V. Minority right on the Capital	0	0	0	0
Total Capital and Reserves (A+II+III+IV+V)	<u>56,108,344,227</u>	56,108,344,227	56,108,344,227	56,108,344,227
VI. Amounts reserved for capital increase	48,128,718,552	48,128,718,552	48,128,718,552	48,128,718,552
Total Capital and Reserves (A+II+III+IV+V+VI)	<u>104,237,062,779</u>	104,237,062,779	104,237,062,779	104,237,062,779
VII. Minority right on the Capital	0	0	0	0
Total Capital and Reserves (A+II+III+IV+V+VI+VII)	<u>104,237,062,779</u>	104,237,062,779	104,237,062,779	104,237,062,779
VIII. Depreciable Consolidation Differences	1,600,049,996	1,600,049,996	1,600,049,996	1,600,049,996
1. Provisions for retirement benefits	242,538,111	242,538,111	242,538,111	242,538,111
2. Other provisions	1,357,511,885	1,357,511,885	1,357,511,885	1,357,511,885
	<u>2,957,560,001</u>	2,957,560,001	2,957,560,001	2,957,560,001
IX. Provisions for liabilities and charges	1,886,454	1,886,454	1,886,454	1,886,454
1. Provisions for retirement benefits	263,775,685	263,775,685	263,775,685	263,775,685
2. Other provisions	1,622,678,369	1,622,678,369	1,622,678,369	1,622,678,369
	<u>1,886,454</u>	1,886,454	1,886,454	1,886,454
Total Liabilities (A+VI+VII+VIII+IX)	<u>110,144,622,779</u>	110,144,622,779	110,144,622,779	110,144,622,779
ACCUMULATED DEFERRED INCOME	288,414,450	288,414,450	288,414,450	288,414,450
1. Incomes of following years	371,136,778	371,136,778	371,136,778	371,136,778
2. Accrued expenses	6,685,173	6,685,173	6,685,173	6,685,173
3. Other accruals and deferred income	6,662,331	6,662,331	6,662,331	6,662,331
	<u>384,434,282</u>	384,434,282	384,434,282	384,434,282
Total Liabilities and Deferred Income (A+VI+VII+VIII+IX+ACCUMULATED DEFERRED INCOME)	<u>110,529,057,061</u>	110,529,057,061	110,529,057,061	110,529,057,061
MEMO ACCOUNTS				
1. Third party asset items	142,151	142,151	142,151	142,151
2. Guarantees and real securities	153,564,897	153,564,897	153,564,897	153,564,897
3. Other memo accounts	104,625,302	104,625,302	104,625,302	104,625,302
	<u>250,332,350</u>	250,332,350	250,332,350	250,332,350
Total Liabilities and Deferred Income and Memo Accounts	<u>110,779,389,411</u>	110,779,389,411	110,779,389,411	110,779,389,411

of the last revaluation of the land and buildings of the company was made in 2000 according to law 2065/92. b) The companies which are included in the consolidation (an analysis exists in the Appendix) are: 1) SARANTIS S.A., 2) PHARMACARE S.A., 3) P. GIANNAS S.A., 4) G.M. IOANNOU S.A., 5) K. THEODORIS S.A., 6) PET. LEADERS S.A., 7) SARANTIS BULGARIA LTD., 8) ROMSAR COSMETICS S.A., 9) SANTASANTAS S.A., 10) COREIN S.A., 11) NET WEST SKOPJE LTD., 12) NET WEST SERBIA LTD., 13) ROI S.A., 14) SARANTIS G.M.B.H., 15) SARANTIS FRANCE, 16) SARANTIS U.K.LTD., 17) SG SARANTIS GLOBAL LTD., 18) SARANTIS HUNGARY, 19) SARANTIS POLAND S.A., 20) VENUS S.A., 21) BRARDALE S.A. and 22) ZETA S.A.

PROFIT AND LOSS ACCOUNT
At December 31, 2000 (January 1-December 31, 2000)

	2000	1999
I. Operating results		
Net turnover(sales)	59,596,745,620	43,154,076,145
Less: Cost of sales	31,622,764,736	24,328,713,969
Gross operating result(s)profit)	27,973,980,884	18,825,362,176
Plus: Other operating income	133,300,417	7,05,518,067
Total	29,107,281,301	19,530,880,243
Less: 1. Administrative expenses	4,080,687,927	2,924,339,314
3. Distribution costs	18,073,65,114	12,675,885,748
3.990.655.181	6,952,828,260	3,990,655,181
Sub total (profit)	510,708,427	47,629,263
Less:		
1. Revaluation of participating interest and securities	313,046,879	1,998,809,574
2. Expenses and losses from sale of participating interests and securities	3,753,094,687	3,703,233,385
3. Debit interest and similar charges	54,489,631	6,643,704,138
Less:	617,337,000	217,340,138
2. Income from participating interests	405,412,927	63,025,462
3. Credit interest and similar income	17,467,640,415	0
4. Credit interest and similar income	171,538,883	6,998,986,434
3,285.753.049	2,944,069,225	7,226,408,230
Total operating result(s)profit)	6,321,802,798	1,448,701,514
II. PLUS: Extraordinary results		
1. Extraordinary expenses	2,640,280,170	968,098,218
2. Extraordinary gains	191,060,107	1,316,420
3. Prior years' expenses	148,918,911	10,100,568
4. Provisions for extraordinary losses	2,003,522,288	144,142,799
Less:	2,671,623,556	1,448,701,514
1. Extraordinary income	927,857,808	600,575,990
2. Extraordinary gains	357,982,221	18,429,570
3. Prior years' income	4,399,584	16,888,534
4. Unused prior years' provisions	1,489,539,613	27,693,816
5,139.718.855	5,139,718,855	7,610,87,850
Operating and extraordinary result(s)profit)	1,660,457,324	1,333,660,779
LESS	1,660,457,324	827,220,336
Total depreciation of fixed assets	0	506,440,443
Less Depreciation included in expenses	5,139,718,855	6,032,354,173
Less: Minority interests	802,942,965	109,793,033
4,836,775,890	4,836,775,890	5,922,561,070
NET RESULT(S)PROFIT) FOR THE YEAR BEFORE TAXES		

Marousi April 26, 2001

GR SARANTIS
Chairman of the Board of Directors

DIMITRIOS MEXIS
Managing Director

STEPHANIE WAGNER
Finance Director

VASIL MENTIANIS
Chief Accountant

AUDITOR'S REPORT

TO THE SHAREHOLDERS OF GR. SARANTIS ABE

We have audited the accompanying eighth consolidated financial statements and the related Appendix of the Societe Anonyme GR SARANTIS SA and its subsidiaries for the year ended 31 December 31, 2000. Our audit was performed in accordance with the provisions of article 108 of Law 2190/1920 for societe anonymes and the auditing procedures which we considered necessary based on the principles followed by the Institute of Certified Auditors in Greece. We agreed the content of the consolidated Director's report with the underlying financial statements. 1) The companies based on the interpretation of the prevailing corporate legislation No.205/1988 by the Legal Council of the state and article 10 of tax Law 2065/1992 do not provide a provision for staff termination indemnities like they did the previous fiscal year. The only company that provided a provision for staff termination indemnities was ZETA SA should the companies provide for the total liability for all employees, the provision would have been 200,000,000 drs approximately. 2) We did not audit the financial statements of the fifteen companies sighted abroad which however were included in the consolidation. The above mentioned companies audited by certified auditor's and they represent percent 2% of the consolidated total of turnover. 3) The mother company and the subsidiaries "GIANNAS SA" and "SANTIAS SANTIAS SA" according to relative tax provisions recorded to the assets, account B. "FORMATION EXPENSES" an amount of drs 2,221,338,359 that represents loss from sale and revaluation of securities. According to the provisions, of the law 2190/1920 for societe anonymes, the loss should have been recorded in the financial results of the 2000 accounting period. 4) According to the provisions of the Law 2065/1992, the mother company performed a revaluation of the land's acquisition cost during the accounting period of 2000. The result of the revaluation amounted 12,643,682 drs, and it was recorded in a reserve account A.II.2 "Reserves of revaluation of other assets". 3) In the current fiscal year 1999 the amount of the depreciation would have been increased by drs. 33,000,000.000 approximately. In our opinion, except for the above mentioned notes the consolidated financial statements are in accordance with the provisions of the law 2190/1920 for societe anonymes and the provisions and accounting policies that the mother company generally applies. These provisions and accounting policies are in accordance with the prevailing legislation and the accounting principles that are generally accepted and are consistent with those applied in the previous year, except the case that has been described in note 3. The consolidated financial statements referred to above, derive from the books and records of the Companies and represent fairly the financial structure and position of the companies that have been consolidated, as at 31 December, 2000.

Athens, May 11, 2001

IOANNIS V. KALOGROPOLLOS
Reg.No./SCE 10241
K & Y CERTIFIED AUDITORS SA
SUMMIT INTERNATIONAL ASS. INC.



<http://www.sarantis.gr>
e-mail: info@sarantis.gr

26, AMAROUSIOU-HALANDRIOU STR.
151 25 MAROUSSI, ATHENS
TEL.: 61.73.000, FAX: 68.97.100

ΑΜΑΡΟΥΣΙΟΥ-ΧΑΛΑΝΔΡΙΟΥ 26
151 25 ΜΑΡΟΥΣΙ, ΑΘΗΝΑ
ΤΗΛ.: 61.73.000, FAX: 68.97.100