GR. SARANTIS S.A.

2012 ANNUAL FINANCIAL REPORT

(including the period from 1 January to 31 December 2012)

(According to Law 3556/07)

CONTENTS

1. STATEMENTS BY MEMBERS OF THE BOARD OF DIRECTORS

Statements by Members of the Board of Directors

(according to article 5 of Law 3556/2007)

It is hereby declared that to our knowledge, the annual parent and consolidated financial statements of the company "GR. SARANTIS S.A." for the financial year 2012 (from 1 January 2012 to 31 December 2012), which were prepared according to the applicable International Financial Reporting Standards, accurately present the assets and liabilities, equity and results of the Company Gr. Sarantis SA as well as those of the companies included in the consolidation, considered as a whole.

Furthermore, we declare that to our knowledge, the annual report of the Board of Directors reflects in a true manner the development, performance and financial position of GR. SARANTIS S.A., and of the businesses included in the Group consolidation, considered as a whole, including the description of the principal risks and uncertainties such face.

Marousi, 22 March 2013

The members of the Board

THE CHAIRMAN OF THE BOARD	**THE VICE-CHAIRMAN & CHIEF EXECUTIVE OFFICER**	**THE FINANCE DIRECTOR & BOARD MEMBER**
GRIGORIS SARANTIS	**KYRIAKOS SARANTIS**	**KONSTANTINOS ROZAKEAS**
ID No. X 080619/03	**ID No. AI 597050/2010**	**ID No. P 534498/94**

2. ANNUAL BOARD OF DIRECTORS' MANAGEMENT REPORT

ANNUAL BOARD OF DIRECTORS' MANAGEMENT REPORT

OF THE COMPANY GR. SARANTIS S.A.

on the Annual Financial Statements for financial year 2012 (1/1 – 31/12/2012)

2.1 INTRODUCTION

The present Annual Report by the Board of Directors which follows (hereinafter the "Report"), refers to the financial period 01.01.2012-31.12.2012. This Report was prepared and is in line with the relevant stipulations of law 3556/2007 (Government Gazette 91A/30.04.2007) and the relevant executive decisions issued by the Hellenic Capital Market Commission, as well as Decision no 7/448/11.10.2007 issued by the Board of Directors of Hellenic Capital Market Commission.

The Report is included in the 2012 annual financial report, together with the Company's financial statements and other information and statements required by law.

The present report briefly presents the company's financial information for financial year 2012, significant events that occurred during the year and their effects on the financial statements. The report also includes a description of the basic risks and uncertainties the group's companies may face and finally significant transactions between the issuer and its related parties are also presented.

2.2 COMPANY PERFORMANCE AND FINANCIALS

Substantial increase was recorded by Sarantis Group 2012 financial results, exceeding the management's expectations.

The Group's sales increase of 6.6% was driven by both the Greek market, that, despite the negative economic environment and the drop in the retail sales, exhibited a significant growth of 14%, and the foreign markets that posted an increase of 3%, which is made up of a 6% rise in local currency and 3% of currency depreciation.

This increase is mainly attributed to the renewal of the company's product portfolio, which is based not only on new exclusive representation and distribution agreements, but also on the development of new products adjusted to the changing consumer trends and the relaunch of existing products.

In terms of profitability, despite the negative currency effect and the higher oil and commodities prices, the gross profit margin was maintained at a high level during 2012, mainly due to better sourcing. Moreover, cost control, operational leverage and lower financial expenses resulted in a significant increase across all profitability lines and improved profitability margins both with respect to last year's figures and the management's estimates.

Specifically:

- EBITDA was up by 7.84% at €21.17 mil., with EBITDA margin at 8.97%.
- EBIT was up by 10.09% at €17.36 mil., with EBIT margin at 7.36%.
- EBT was up by 20.84% at €15.29 mil., with EBT margin at 6.48%.
- EATAM was up by 24.84% at €12.15 mil., with EATAM margin at 5.15%.

Sarantis Group exhibits an exceptionally healthy financial position and capital structure.

During 2012 the Group managed to retain and expand its free cash flow generation and as a result de leveraged its balance sheet, reducing its bank debt by circa €8 mil., and achieved a net cash position of approximately €1 mil. by the end of 2012. Additionally, in an effort to return value to its shareholders, within 2012, the company cancelled its treasury shares that corresponded to 10% of its share capital.

Furthermore, the reduction of the inventory level related to the new brands added in the Group's portfolio since 1/1/12 and the clearing of the seasonal sales during Q4 2012 that is reflected in the drop of the Group's receivables, lead to a significant reduction in the Group's working capital requirements. Specifically, the Group's working capital settled at €66.76 mil. in FY 2012 from €63.65 mil. in FY 2011, while working capital requirements over sales settled at 28.19% in FY 2012 vs 28.76% in FY 2011.

With respect to the analysis by business unit, during 12M 2012 total Group sales rose driven by the increase in the sales of household products mostly due to the recent acquisitions (Domet and Topstar) as well as the new agreements (Vapona, Colour Catcher), and the growth in the subcategory of the Selective Products largely as a result of the new agreement with La Prairie.

Cosmetics sales dropped by 1.03% during 2012, while the own brands of this category presented a stable performance versus last year. Own brands contribution in this SBU's turnover was increased from 71.24% to 72.14%.

Sales of **Household Products** increased 9.19% amounting to € 107.33 million from € 98.29 million last year. Sales of **own brands** in this category rose by 5.13% while their contribution to this category's sales reached 95.96% from 99.67% in 2011. Considerable growth in the category has been posted by the distributed brands, due to the new brands that have been included in the product portfolio.

The category of **Other Sales** exhibited significant increase of 27.88% during 12M 2012, driven mainly by the subcategory of Selective products. This growth is attributed to the new agreements.

The Group's operating earnings increased versus last year exceeding the management's estimates due to cost control and operational leverage.

Cosmetics EBIT decreased in 12M 2012 by 11.41%, although during the fourth quarter of 2012 Cosmetics EBIT presented growth of 17%, coming from own brands, thus curbing the declining trend of this category.

The drop of this category is largely attributed to higher A&P expenses behind the brand Kolastyna in Poland and the launch of Bioten in Serbia.

The Cosmetics EBIT margin during 12M 2012 settled at 4.41% vs 4.92% in 12M 2011. This category's contribution to total EBIT fell to 24.87% from 30.91% same period last year. The operating profits of **own brands** within this category decreased by 15.27% standing at €3.88 million from €4.58 million in 12M 2011.

The EBIT of **Household Products** posted a considerable increase of 32.74% during the 12M 2012 to €7.66 million from €5.77 million in 12M 2011. The EBIT margin of the household products stood at 7.13% during 12M 2012 up from 5.87% in 12M 2011. The increase is attributed both to the "**Own Brands**" which present an increase in EBIT of around 29% amounting to € 7.46 million, and the "Distributed brands". This growth is driven largely by the recent acquisitions (Domet and Topstar) and the new business deals.

The EBIT of the category **Other Sales** reversed the declining trend of the previous quarters recording a growth of 80.05% in 12M 2012, mainly driven by the subcategory of the selective products that presented a significant increase which is attributed to the recent business deals.

The income from the **Estee Lauder JV** is according to the management's expectations.

In terms of the geographical breakdown, the Group's consolidated turnover's increase was supported by both the Greek and the Foreign markets.

Despite the adverse economic environment in Greece and the drop in the Greek retail sector sales, Sarantis Group managed to increase the local sales by 13.99%, at €87.25 million, from €76.54 million last year, largely driven by the company's new business deals.

As far as the foreign markets of the Group are concerned, turnover was up by 2.76% to €148.75 mil from €144.75 mil in 12M 2011. The foreign countries presented an average sales growth in local currencies by 6.15%, while the average effect of the currencies devaluation was 3.39%.

The **Greek** EBIT in 12M 2012 increased by 28.22% to €10.67 mil., from €8.32 mil in 12M 2011.

Excluding the income from the Estee Lauder JV, Greek EBIT during 12M 2012 amounted to €6.98 mil from €4.14 mil., up by 68.69%.

Greek EBIT margin, excluding Estee Lauder JV, stood at 8.0% from 5.41% in 2011.

The **foreign countries** posted a decrease in EBIT of 10.17% during 12M 2012, amounting to €6.69 mil., from €7.44 mil. The foreign countries EBIT margin stood at 4.50%.

The foreign countries EBIT is negatively influenced by higher A&P expenses behind the brand Kolastyna in Poland and the launch of Bioten in Serbia.

It is worth to note however, the foreign countries EBIT has shown a considerable improvement during the last quarter of 2012 rising by 27% in Q4 2012 vs Q4 2011, with the Q4 2012 EBIT margin settling at 8.87%.

2.2.1 Basic Financial Ratios of the Group's consolidated results

The following table presents several basic financial ratios relating to the Group's financial structure and profitability for 2012 compared to 2011.

	12M 2012	12M 2011
Gross Profit Margin	47.51%	47.70%
EBIT Margin	7.36%	7.13%
EATAM Margin	5.15%	4.40%
Operating Working Capital	66.76	63.65
Operating Working Capital to Sales	28.29%	28.76%
Total Bank Debt	52.00	59.59
Net Debt	-1.19	3.19
Leverage (Debt/Equity)	36.46%	47.09%
Operating cash flows	9.59	5.46

Despite the devaluation of currencies and higher oil prices, the gross profit margin for 2012 remained at the same levels of the previous year, reaching 47.51% due to more favorable agreements for the procurement of materials and services.

The increase of Group sales, the containment of operating expenses, the operational leverage and lower financial expenses, led to a significant improvement on all levels of the Group's results for 2012 compared to the previous year. Specifically, the EBIT margin settled at 7.36% from 7.13% in 2011 and the Net Earnings margin at 5.15% from 4.40% the previous year.

Operating working capital amounted to €66.76 mil, while as a percentage of turnover is amounted to 28.29%, better than management's estimations which targeted 30%.

During 2012 the Group managed to maintain and reinforce its net cash flows and also to reduce its bank debt by almost €8 mil. At the same time it maintains a negative net cash position.

Finally, the Board of Directors will propose to the Annual General Meeting not to distribute dividend for 2012. This proposal reflects the Group's priority to secure the largest possible liquidity so as to be in a position to face the challenges of 2013 and to use such liquidity for possible future investments.

2.3 SIGINIFICANT EVENTS DURING 2012

- Within the context of its strategic development and aiming to further reinforce its product portfolio Sarantis Group has undertaken the exclusive distribution of La Prairie Switzerland in Greece. La Prairie has a history of 80 years, while its products are among the leading products for personal care and treatment.
  The ranges of the La Prairie products include facial care, eye and body as well as make up and perfume.
  With this deal Sarantis Group anticipates an increase in turnover of about
  eight to ten million euro annually, as well as enhanced profitability in the channel of selective distribution

- Sarantis Group proceeded to the establishment of the 100% subsidiary company in Bosnia-Herzegovina named SARANTIS BANJA LUKA and located in Banja Luka of Bosnia.
  The share capital of the newly established subsidiary amounts to 357,904 euros.

SARANTIS BANJA LUKA was established with the aim to further strengthen the presence of the recently acquired Serbian household products brand TOPSTAR in the Bosnian market.
It is reminded that TOPSTAR is present in the cleaning tools category and its product portfolio includes scourers, mops, wipes, gloves, garbage bags, etc.
Apart from TOPSTAR, Sarantis newly established subsidiary in Bosnia will distribute the own cosmetics STR8, BU and C-THRU.

- Within the context of its strategic development and aiming to further reinforce its product portfolio Sarantis Group has undertaken the distribution of the brands "Colour Catcher" and "Keep it White" in Greece, starting from Monday, May 14th, 2012. These brands belong to the Spotless Group with which Sarantis Group cooperates on the distribution and representation of Vapona.
Colour Catcher is the leader in its segment in Europe.
The net sales of both brands during 2011 in Greece, amounted to 2.5 million €, while market share rose to 72.4%.
With this deal, Sarantis Group apart from an increase in turnover anticipates an enhanced profitability in the mass market distribution channel.

- The A' Repeated Extraordinary General Meeting of the Company's shareholders, held on October 09, 2012, decided, inter alia, to decrease the Company's share capital by the amount of 5,905,835.32 euro through the reduction of the company's total number of shares from 38,350,940 to 34,515,982 due to the cancellation of 3,834,958 treasury shares, according to article 16 of C.L.2190/1920. The aforementioned 3,834,958 shares were acquired by the Company from 25/07/2008 to 05/09/2012, by virtue of the resolution of the Company's General Shareholders' Meeting dated 02/06/2008, as this was updated by the General Shareholders' Meeting of 30/06/2010 and modified by the General Shareholders Meeting of 21/06/2012. Following the aforementioned share capital reduction, the Company's share capital amounts to 53,154,612.28 euro divided by 34,515,982 common registered shares of nominal value 1.54 each. On 22/10/2012, Decision K2-7206 of the Minister of Development, Competitiveness and Shipping was filed with the Sociétés Anonymes Register, approving the amendment of the relevant article of the Company's Articles of Association. The Athens Exchange, (ATHEX) during its session on November 01, 2012, was informed about the abovementioned share capital reduction through the cancellation of the Company's shares. Following the above, the Company has decided that on November 07, 2012, the trading in the Athens Stock Exchange of 3,834,958 common registered shares shall cease and these shares will be cancelled.

- In accordance with article 2 of Decision No. 3/347/12.07.05 issued by the Board of Directors of the Hellenic Capital Market Commission, the company GR. SARANTIS SA announces that its Board of Directors, during its meeting on 1 June 2012, accepted the resignations of Mr. Sarantis Pantazis (Non-Executive Member) and Mr. Evaggelos Nikolaou (Executive Member), while it did not proceed with their replacement.
Therefore, the new composition of the company's Board of Directors is as follows:
Chairman: Grigorios Sarantis of Pantazis, (executive member)
Vice-Chairman and Chief Executive Officer: Kyriakos Sarantis of Pantazis, (executive member)
Executive Members: Konstantinos Rozakeas of Petros, Konstantinos Stamatiou of Fokionos
Non-Executive Members: Aikaterini Sarantis of Pantazis, Antonios Agiostratitis of Miltiadis
Independent Non-Executive Members: Dimitrios Efstathiou of Konstantinos, Emmanuel Souriadakis of Ioannis.

- In the context of presentations organized by the Association of Greek Institutional Investors, a presentation of Sarantis Group was performed by the Group's CFO, Mr. Konstantinos Rozakeas, on 18 April 2012. During the presentation, comments were provided on the Group's 2011 financial results and the Group's strategy as well as Management's estimations for the 2012 financials were analyzed.

2.4 MAJOR RISKS AND UNCERTAINTIES FOR 2013

The Group is exposed to financial and other risks, including the effects of changes in interest rates, credit risks and liquidity risks. The Group's overall risk management program aims at minimizing the possible negative effects from such risks on its financial performance. The Group's financial instruments consist mainly of deposits with banks, trade accounts receivable and payable, loans and dividends payable.

2.4.1 Foreign exchange risk

The Group operates in an environment characterized by relatively high foreign exchange risk given that almost 65% of the Group's total turnover comes from Eastern European countries where the volatility of foreign exchange rates has been high in the recent months. The management of the Group is constantly examining the currencies' fluctuations, but at the moment it has not taken any measures against the fx risk due to the lack of appropriate hedging tools.

2.4.2 Interest rate risk

The Group's objective is to achieve an optimal balance between borrowing cost and the potential effect of interest rate changes on earnings and cash flows. The Group monitors and manages its debt and overall financing strategies using a combination of short and long-term debt. It is the policy of the Group to continuously review interest rate trends along with its financing needs. Daily working capital requirements are typically financed with operational cash flow and through the use of various committed lines of credit. The interest rate on these short-term borrowing arrangements, is generally determined as the inter-bank offering rate at the borrowing date plus a pre-set margin. The mix of fixed-rate debt and variable-rate debt is managed within Group policy guidelines. As regards to the risks relating to a possible interest rate increase, the Group's next year's results would not be affected as part of the Group's strategy is the continuous reduction of the its existing bank loans.

2.4.3 Credit risk

The Group's trade receivables mainly come from wholesale clients. All Group companies monitor the financial position of their debtors on an ongoing basis and control the granting of credit as well as the credit lines. Where considered appropriate, credit guarantee insurance cover is purchased. Moreover, appropriate provision for impairment losses is made for specific credit risks where deemed necessary.

2.4.4 Liquidity risk

Prudent liquidity risk management implies the existence of a balance between cash flows as well as funding through adequate amounts of committed credit facilities. The Group closely monitors the amount of funding as well as the short-term and long-term funding with respect to total debt and the composition of total debt, manages the risk that could arise from the lack of sufficient liquidity and secures that necessary borrowing facilities are maintained. The Group has sufficient credit line facilities that could be utilized to fund any potential shortfall in cash resources.

The Group manages and monitors its working capital in order to minimize any possible liquidity and cash flow risks.

2.4.5 Raw material price risk

The Group is exposed to the volatility of raw material prices. For instance, aluminium is a basic raw material for the Group and as such movements in the aluminium price affect the Group's financials. In order to protect itself against adverse aluminium price movements, the Group hedges against fluctuations of the aluminium price over short term periods of time.

2.5 FUTURE OUTLOOK AND PROSPECTS

The Group's financial results for the full year of 2012 present a substantial growth compared to 2011, well above management's expectations.

Despite the adverse economic environment and the drop in the retail sales, Group sales exhibited significant increase which was driven by both the Greek market and the foreign markets.

On the profitability front, despite the currency devaluation, cost control, operational leverage and lower financial expenses resulted in a significant increase across all profitability lines and improved margins both with respect to last year's figures and the management's estimates.

More specifically, EBIT rose by 10% vs last year and the EBIT margin reached 7.36%.

Bottom line, EATAM showed a considerable increase of 24,84% versus last year, with the EATAM margin settling at 5.15%. EPS posted a remarkable growth of 38%.

Amidst the challenging operating environment, the Group managed to maintain its working capital requirements at a low level and expand its free cash flow generation having at year end a net cash position.

The company's robust financial position has enabled the management to implement its strategy of growth through investments behind its own brands, new exclusive distribution agreements and the creation of a new subsidiary in Bosnia. What is more, the management decided to return value to its shareholders by cancelling its treasury shares that corresponded to 10% of the Group's share capital.

The management expects 2013 to be yet again a tough year for all operations in Greece.

Going forward the management will stay focused on maintaining a cost structure that best fits the expected revenues and continuously adjusting the brand portfolio according to the consumer trends.

At the same time, as always, emphasis will be given to the efficient management of working capital needs, the containment of operating cost, the generation of free cashflows and a low net debt position.

Finally, the support and expansion of our brand portfolio, through either organic growth or acquisitions, will remain one of the management's top

2.6 RELATED PARTY TRANSACTIONS

The significant transactions between the Company and its related parties, as such are defined by International Accounting Standard 24, are presented below.

Subsidiaries: **Company**

Trade receivables	31/12/2012		31/12/2011
VENTURES S.A.	0.00		339,072.20
SARANTIS ROMANIA S.A	144,271.50		149,334.44
SARANTIS CZECH REPUBLIC sro	1,098,798.84		1,381,766.10
SARANTIS POLSKA S.A	657,377.09		769,174.51
ELODE FRANCE S.A.R.L.	550.84		0.00
SARANTIS ANADOL SA	1,509,062.51		0.00
SARANTIS BELGRADE D.O.O	0.00		57,838.25
SARANTIS HUNGARY Kft.	1,055,875.94		446,516.68
Total	**4,465,936.72**		**3,143,702.18**

TOTAL RECEIVABLES	**4,465,936.72**	**3,143,702.18**

Trade liabilities	31/12/2012		31/12/2011
VENTURES SA	0.00		4,132.69
ZETA SA	0.00		300.00
THRACE-SARANTIS S.A	243,474.73		321,838.73

SARANTIS SKOPJE D.O.O	0.00		950,928.57
SARANTIS POLSKA S.A	14,081.89		33,762.44
SARANTIS BELGRADE D.O.O	1,357,993.29		604,953.84
SARANTIS ROMANIA S.A	33,850.29		17,224.14
SARANTIS BULGARIA L.T.D	1,048,524.84		461,746.72
SARANTIS CZECH REPUBLIC sro	0.00		34,019.79
ELODE FRANCE S.A.R.L	0.00		900.00
SARANTIS ANADOL S.A	0.00		117,542.46
SARANTIS SKOPJE D.O.O	371,403.70		0.00
Total	**3,069,328.74**		**2,547,349.38**

Liabilities from loans	31/12/2012		31/12/2011
ZETAFIN LTD	0.00		31,986,332.22
SAREAST L.T.D	468,500.00		468,537.13
WALDECK L.T.D	13,600.00		13,703.70
GR SARANTIS CYPRUS L.T.D	4,000,000.00		21,998,801.96
Total	**4,482,100.00**		**54,467,375.01**

TOTAL LIABILITIES	**7,551,428.74**		**57,014,724.39**

INCOME

Income from sale of merchandise	31/12/2012		31/12/2011
VENTURES SA	0.00		1,106,629.70
SARANTIS ROMANIA S.A	2,911,651.93		3,182,340.65
SARANTIS BULGARIA L.T.D	1,917,132.65		1,790,980.63
SARANTIS BELGRADE D.O.O	1,643,237.95		2,081,864.97
SARANTIS SKOPJE D.O.O	567,822.87		702,082.41
SARANTIS ANADOL S.A	-78,437.02		381,077.41
SARANTIS POLSKA S.A	4,308,276.95		4,264,635.09
SARANTIS CZECH REPUBLIC sro	1,197,065.66		1,083,618.71
SARANTIS HUNGARY	582,910.86		704,905.16
Total	**13,049,661.85**		**15,298,134.73**

Other Income	31/12/2012		31/12/2011
VENTURES SA	0.00		10,707.47
SARANTIS ROMANIA S.A	25,124.00		30,025.00
SARANTIS BELGRADE D.O.O	2,464.00		1,482.00
SARANTIS ANADOL S.A	2,227.00		6,582.00
SARANTIS SKOPJE D.O.O	11,702.00		11,573.00
SARANTIS HUNGARY	26,348.40		24,230.00
SARANTIS CZECH REPUBLIC sro	44,030.00		37,235.00
SARANTIS POLSKA S.A	30,453.00		54,262.85
ZETA SA	3,000.00		14,245.00
SARANTIS BULGARIA L.T.D	6,767.70		7,181.77
Total	**152,116.10**		**197,524.09**

TOTAL INCOME	**13,201,777.95**		**15,495,658.82**

EXPENSES & PURCHASES

Purchases of Merchandise	31/12/2012		31/12/2011
SARANTIS BULGARIA L.T.D	37,305.02		55,392.20
SARANTIS ROMANIA S.A	1,164,188.21		1,016,159.04
VENTURES SA	0.00		16,293.58
SARANTIS CZECH REPUBLIC sro	9,805.87		37,485.77
SARANTIS BELGRADE D.O.O	300,945.89		813.19
SARANTIS POLSKA S.A	333,870.94		208,238.25
SARANTIS ANADOL S.A	789,973.10		995,153.88
SARANTIS HUNGARY	3,853.69		0.00
THRACE-SARANTIS S.A	1,299,720.48		1,338,336.92
ZETA SA	60,400.00		0.00
Total	**4,000,063.19**		**3,667,872.83**

Expenses – Interest	31/12/2012		31/12/2011
ZETA FIN LTD	551,941.25		1,439,503.07
GR SARANTIS CYPRUS L.T.D	280,352.25		999,455.01

WALDECK L.T.D	622.20	103.70
SAREAST L.T.D	21,433.88	18,683.63
Total	**854,349.58**	**2,457,745.41**
TOTAL EXPENSES	**4,854,412.77**	**6,125,618.24**

TABLE OF DISCLOSURE OF RELATED PARTIES		
	GROUP	**COMPANY**
a) Income	0.00	13,201,777.95
b) Expenses	0.00	4,854,412.77
c) Receivables	0.00	4,465,936.72
d) Liabilities	0.00	7,551,428.74
e) Transactions and remuneration of senior executives and management	1,222,347.65	1,222,347.65
f) Receivables from senior executives and management	0.00	0.00
g) Liabilities towards senior executives and management	0.00	0.00

2.7 DETAILED INFORMATION ACCORDING TO ARTICLE 4, PAR. 7, LAW 3556/2007

2.7.1 Structure of the Company's share capital

The company's share capital amounts to fifty three million five hundred and forty seven thousand three hundred and twelve euro and twenty eight cents (53,547,312.28 Euro), divided into thirty four million seven hundred and seventy thousand nine hundred and eighty two common registered shares with voting right (34,770,982 shares), with a nominal value of one euro and fifty four cents (1.54 Euro) each.

All the shares are registered and listed for trading in the Securities Market of the Athens Exchange ("Large Cap" classification).

The rights of the Company's shareholders with respect to their shares are proportional to the share capital stake to which the paid-in share value corresponds. Each share incorporates all the rights and obligations that are stipulated by the Law and Company's Articles of Association, and more specifically:

• The right to dividend from the annual earnings or liquidation profits of the Company.

A percentage of 35% of the net earnings following deduction only of the statutory reserve is distributed from the earnings of each year to shareholders as an initial dividend while the distribution of an additional dividend is resolved upon by the General Meeting. Dividends are entitled to each shareholder who is registered in the Shareholders' Register at the dividend record date. The dividend for each share is paid to its holder within two (2) months from the date on which the Ordinary General Meeting approved the Annual Financial Statements. The payment date and the payment method are released through the Press. The right to receive payment of the dividend is subject to a time limitation and the respective unclaimed amount goes to the State upon the lapse of five years from the end of the year during which the General Meeting approved the distribution of the said dividend.

• The right to reclaim the amount of one's contribution during the liquidation or, similarly, the writing off of the capital representing the share, provided that this is resolved upon by the General Meeting,

• The pre-emptive right at every share capital increase of the Company via cash payment or the issuance of new shares.

• Each shareholder is entitled to request a copy of the financial statements along with the relevant reports of the Board of Directors and the Auditors of the Company.

• The right to participate in the Company's General Meeting which consists of the following specific rights: legitimacy, presence, participation in discussions, submission of proposals on the items of the agenda, entry of one's opinion on the minutes of the Meeting and finally the right to vote.

• The General Meeting of Company's Shareholders retains all its rights and obligations during liquidation. The liability of shareholders is limited to the nominal value of the shares such hold.

2.7.2 Limits on transfers of Company shares

The transfer of Company shares takes place based on procedures stipulated by Law, while there are no restrictions set by the Articles of Association for transfer of shares, as such are dematerialized shares listed on the Athens Exchange.

2.7.3 Significant direct or indirect holdings according to the definition of 3556/2007

During 2012, the following disclosures were made on significant direct or indirect holdings according to the definition of L. 3556/2007:

- On 13/03/2012 the shareholder ING Investment Management Belgium S.A. reported that on 8/3/2012 it reduced the total percentage of its indirect participation in the share capital and voting rights of GR. SARANTIS SA from 5.02% (namely 1,926,195 voting rights) to 4.99% (1,913,857 voting rights).

- On 28/09/2012 the shareholder Kempen European Participations N.V. reported that the its total direct participation in the share capital and voting rights of GR. SARANTIS SA was reduced from 5.20% (namely 1,993,908 voting rights) to 4.92% (1,885,802 voting rights).

- On 08/11/2012 the shareholders GRIGORIS SARANTIS, KYRIAKOS SARANTIS, AIKATERINI SARANTI, HAWKEYE HOLDING LTD. and MARGINPLUS INVESTMENTS LTD., reported that due to the recently concluded share capital decrease of the company, in accordance with the decision by the 1st Repeated Extraordinary General Meeting of Shareholders dated 09/10/2012, with the cancellation of 3,834,958 treasury shares held by GR. SARANTIS S.A., their total direct and indirect participation in the total shares and voting rights of GR. SARANTIS S.A. was reduced by a percentage larger than 3% and currently corresponds to 45.856% (namely 15,827,526 voting rights). Specifically:

	Number of shares	Number of voting rights		% voting rights	
	Direct	Direct	Indirect	Direct	Indirect
GRIGORIS SARANTIS	646,107	646,107	see MARGINPLUS	1.872%	see MARGINPLUS
KYRIAKOS SARANTIS	555,019	555,019	see MARGINPLUS	1.608%	see MARGINPLUS
AIKATERINI SARANTI	370,900	370,900	see MARGINPLUS	1.075%	see MARGINPLUS
MARGINPLUS INVESTMENTS LTD.	14,255,500	14,255,500		41.301%	
HAWKEYE HOLDING LTD.			14,255,500		41.301%
TOTAL	15,827,526	15,827,526		45.856%	

It is noted that the company Hawkeye Holding S.A. belongs to the above 3 first individuals and holds 100% of the share capital of the company MARGINPLUS INVESTMENTS LTD.

- On 16/11/2012 Fairfax Financial Holdings Limited reported that on 4/10/2012 the total percentage of voting rights it indirectly holds of the Company, exceeded the limit of 5%. According to the above disclosure, on 4/10/2012 Fairfax Financial Holdings Limited was indirectly, through its fully controlled subsidiaries, owner of 2,947,027 shares and voting rights of the Company or of 7.68% of the Company's share capital and total voting rights. Also, part of the above percentage, namely 2,832,017 shares and voting rights or 7.38% of the share capital and total voting rights of the Company are directly held by Odyssey Reinsurance Company, a subsidiary of the Fairfax Financial Holdings Limited Group.
  It is noted that Odyssey Reinsurance Company is controlled 100% by Odyssey Re Holdings Corp, which in turn is controlled 100% through several intermediate companies by Fairfax (US) Inc, which is 100% controlled by FFHL

Group Ltd, which lastly is 100% controlled by the aforementioned company Fairfax Financial Holdings Limited. Therefore Odyssey Re Holdings Corp, Fairfax (US) Inc and FFHL Group Ltd each control indirectly a percentage of 7.38% of the share capital and total voting rights of the Company, namely 2,832,017 shares and voting rights. The remaining 115,010 shares and voting rights, namely 0.30%, are directly owned by Northbridge Indemnity Insurance Company, which is also indirectly controlled by Fairfax Financial Holdings Limited.
The following are also noted in relation to the above disclosure:

- Fairfax Financial Holdings Limited does not constitute a controlled company according to the definitions of L. 3556/2007.
- The disclosed number of shares and voting rights and the percentage of such on the total number of shares and voting rights, are calculated with data as at 4.10.2012 and on a total of 38,350,940 shares and voting rights.

- On 10/12/2012 the shareholder of the company Mrs Elpiniki Sarantis reported that on 07/12/2012 she decreased her total direct and indirect participation in the share capital and voting rights of GR. SARANTIS SA to a level below 5%. According to the said shareholder's previous disclosure on 20/06/2012, Mrs Elpiniki Sarantis directly owned 4.45% (namely 1,708,395 shares and voting rights) and indirectly owned through the company Tempus Real Estate Holdings Ltd. 0.45% (namely 430,000 shares and voting rights) and through the company Lenidi S.A. 0.18% (namely 70,000 shares and voting rights), while the shareholder Elpiniki Saranti owned 99.75% of Tempus Real Estate Holdings Ltd., which in turn owned 100% of the shares of Lenidi S.A.

2.7.4 Shares conferring special control rights

None of the Company shares carry any special rights of control.

2.7.5 Limitations on voting rights

The Articles of Association make no provision for any limitations on voting rights emanating from its shares.

2.7.6 Agreements among Company shareholders

The Company is not aware of any agreements among shareholders entailing limitations on the transfer of shares or limitations on voting rights emanating from its shares, apart from those mentioned in paragraph 2.7.3.

2.7.7 Rules governing the appointment and replacement of members of Board of Directors and the amendment of the Articles of Association

The rules set out in the Articles of Association of the Company on the appointment and replacement of members of the Board of Directors and the amendment of the provisions of the Articles of Association do not differ from those envisaged in Codified Law 2190/20.

2.7.8 Responsibility of the Board of Directors for the issuance of new shares or the purchase of treasury shares

According to the provisions of article 13 par. 1 item b) of C.L. 2190/1920 the Company's Board of Directors has the right, following a relevant decision by the General Shareholder's Meeting that is subject to the publicity announcements of article 7b of C.L. 2190/1920, to increase the Company's share capital with the issuance of new shares, through a decision by the Board of Directors that is made with a majority of at least two thirds (2/3) of its total members. In this case, Company's share capital may be increased by no more than the share capital amount paid up on the date when the Board of Directors was granted such power by the General Meeting. This power of the Board of Directors may be renewed by the General Meeting for a period that may not exceed five year per instance of renewal.

2.7.9 Important agreements initiated, amended or terminated in case a charge arises in the company's control following a public offer

There are no agreements which enter into force, are amended or terminated in the event of change in the control of the Company following a public offer.

2.7.10 Agreements with members of the Board of Directors or employees of the Company

The Company has no significant agreements with members of the Board of Directors or its employees providing for the payment of compensation, especially in the case of resignation or dismissal without good reason or termination of their period of office or employment due to a public offer.

2.8 TREASURY SHARES

The A' Repeated Extraordinary General Meeting of the Company's shareholders, held on October 09, 2012, decided, inter alia, to decrease the Company's share capital by the amount of 5,905,835.32 euro through the reduction of the company's total number of shares from 38,350,940 to 34,515,982 due to the cancellation of 3,834,958 treasury shares, according to article 16 of C.L.2190/1920.
The aforementioned 3,834,958 shares were acquired by the Company from 25/07/2008 to 05/09/2012, by virtue of the resolution of the Company's General Shareholders' Meeting dated 02/06/2008, as this was updated by the General Shareholders' Meeting of 30/06/2010 and modified by the General Shareholders Meeting of 21/06/2012.
Following the aforementioned share capital reduction, the Company's share capital amounts to 53,154,612.28 euro divided by 34,515,982 common registered shares of nominal value 1.54 each.
Following the above, on November 07, 2012, the trading in the Athens Stock Exchange of 3,834,958 common registered shares ceased and these shares were cancelled.

Moreover, in effect of the article 4, paragraph 2 of the 2273/2003 Regulation of the European Commission, the company GR. Sarantis S.A. (the Company) announces that the A' Repeated Extraordinary General Shareholders' Meeting that took place on 09/10/2012 decided the reduction of the Company's share capital with the cancellation of the total number of treasury shares so far acquired, that is 3,834,958 shares, and the subsequent amendment of the share buyback program that was approved by the General Shareholders Meeting of 21/06/2012, and more specifically the total number of treasury shares that can be bought by the Company through the Athens Exchange. Therefore, following the cancellation of 3,834,958 treasury shares, the maximum number of the shares the Company can buy according to the program is 3,451,598 shares, which corresponds to 10% of the current number of the Company's shares.
The maximum buy back price is set at six euros (6 €) per share and the lowest at fifty cents (0.5 €) per share. The Company may acquire treasury shares up to 24 months from the date of the General Meeting of 21/06/2012, that is up to 21/06/2014 with the aim to improve the Company's earnings and dividend per share, indirectly distribute earnings to the shareholders as well as to use in a possible partnership or a possible future acquisition and according to the 2273/2003 Regulation of the European Commission.

2.9 EVENTS AFTER THE REPORTING PERIOD

As of Monday 14/01/13, the two hundred and fifty five thousand (255,000) new common registered shares of the Company, which derived from a share capital increase due to the exercise of stock options of the Company (stock option plan) by 23 officers of the Company and its affiliates, will be subject to negotiation at the Stock Exchange of Athens. The share capital increase was realized through payment in cash, in the amount of three hundred ninety two thousand and seven hundred euro (euro 392,700) at the acquisition price of 2.00 euros in accordance with the decision of the Repeated General Meeting of the Company's shareholders of 18.07.2001 as this was modified by subsequent General Meetings as well as the Company's Board of Directors' decisions dated 30.07.2010 and 30.11.2012. The aforementioned increase, which does not constitute a direct amendment of the Company's Articles of Association, was confirmed by the Company's Board of Directors on 17/12/2012, in implementation of the aforementioned decisions and was filed with the Companies Registry with the respective announcement No.25318.

2.10 CORPORATE GOVERNANCE STATEMENT

The Board of Directors of the company, according to the obligations resulting from article 2 par. 2 of Law 3872/10, declares the following:

Gr. Sarantis SA applies corporate governance rules and practices, which are summarized in the Corporate Governance Code prepared by the company and which have taken into account all State legislation and relevant guidances from authorities that have been issued up to the release of the present statement.

The Corporate Governance Code of Gr. Sarantis SA is available to all those interested at the corporate website: http://ir.sarantis.gr/el-gr/intro/our-responsibility

The company has established an Executive Committee (see Corporate Governance Code chapter 4 par. 4.1), with the CEO as chairman and six senior company managers as members together with the relevant managers of each Business Unit. The Executive Committee is a collective part of the company's management with purely executive responsibilities and a supervisory role on current operational and management affairs.

The company has established an Audit Committee (see Corporate Governance Code chapter 3 par. 3.1), with an independent non-executive Board member as chairman, and three non-executive members, two of which independent, which refer to the Board of Directors. The Audit Committee evaluates the overall efficiency of the internal control and risk assessment system.

The Internal Audit Division is responsible for carrying out audits, submitting proposals, communicating the results and the audit and taking corrective actions when deemed necessary. It assesses the possible risks detected during the audits and communicates such to the Audit Committee and CEO, with the objective to take the appropriate corrective measures. The internal audit, as a group of procedures, methods and mechanisms, is carried out by management executives and in general by all the company's staff according to the responsibilities of each, it is supervised by the Audit Committee, the Board of Directors and CEO and is reviewed on its effectiveness and thoroughness – adequacy, by the Internal Audit department.

As regards to risk management, it should be noted that the Executive Committee is also responsible for detecting and assessing risks of the economic environment during the planning and implementation of the company's strategic goals.

The authorities, obligations, duties and responsibilities of the Board of Directors, the Executive Committee and the Audit Committee are stated in the Corporate Governance Code and are described in the Company's Internal Operation Regulation.

The company is subject to guidance 2004/25/EC as regards to public acquisition offers.

The group's structure is presented in detail in chapter 4.6.2 of the Financial Statements prepared and published by the company through means stated by the law.

The company has not issued titles that provide special control rights to their holders, nor are there any limitations to voting rights, the exercise time limits of voting rights are those in effect during the General Meeting of shareholders, there are no convertible loans and in general there are no systems through which financial rights emanating from titles are distinguished by the ownership of the titles.

In case of resignation, death or in any other manner loss of the capacity of one or members of the Board of Directors, the remaining members of the Board may decide to continue the management and representation of the company without replacement of the missing members under the conditions that the number of remaining Board members exceeds half of the total members prior to the above events. In any case the remaining members cannot be less than three (3).

The members of the Board are elected – appointed by the General Meeting with a simple quorum (1/5) and majority (½ +1 of those present).

Amendments to the provisions of the Articles of Association that are described in article 29 par. 3 of CL 2190/20, are made with an increased quorum (2/3) and majority (2/3 of those present). Amendment of other provisions with a simple quorum (1/5) and majority (½ +1 of those present).

On 31/12/2012 a decision by the General Meeting was in effect regarding a share buyback program (as defined by article 16 CL 2190/20).

The General Meeting of shareholders is the supreme authority of the Company. It may decide on any issue, while its decision also binds those shareholders absent or dissident. The General Meeting is chaired temporarily by the Chairman of the Board, who with a specific procedure sees to the election of an ordinary General Meeting Chairman and Secretary. The General Meeting is also responsible for decision making on all issues presented before such, while it is entirely responsible to decide on the following: a) amendments of the Articles of Association including capital changes, b) election of Board of Directors' members, auditors and setting their remuneration. According to article 10 of the Articles of Association, the election of members of the first Board of Directors is excluded, while according to article 12 of the Articles the election of Board advisors, in replacement of vacant positions resulting from death, resignation or dismissal, is also excluded, c) approval of the financial statements, d) appropriation of annual earnings, e) issue of bond loans (according to article 3 of CL 2190/20, f) for cases of merger, spin-offs, conversions, revival, extension or liquidation of the company and f) the appointment of liquidators.

The company is managed by a Board of Directors, which consists of 3 (three) to 11 (eleven) members according to the company's Articles of Association. The Board is elected by the General Meeting and has a six-year term. Specifically the number of the Board's members is defined by the General Meeting, within the framework set by the Company's Articles of Association. The present Board of Directors consists of 8 (eight) members. It is noted that in application of the provisions of L. 3016 (Govt. Gazette 110/17.05.2002) "Regarding Corporate Governance", 4 (four) of the Board's members are non-executive members, while 2 (two) of the non-executive members are also independent members. The independent members are appointed by the General Meeting of shareholders. The Board of Directors assesses the appropriateness of a candidate independent member before proposing such to be voted by the General Meeting.

The company's Board of Directors, during its meeting on 1 June 2012, accepted the resignations of its members Messieurs Sarantis Pantazis (Non-Executive Member) and Evaggelos Nikolaos (Executive Member), while it did not proceed with their replacement.

Therefore, the new composition of the company's Board of Directors is as follows:

Chairman: Grigorios Sarantis of Pantazis, (executive member)

Vice-Chairman and Chief Executive Officer: Kyriakos Sarantis of Pantazis, (executive member)

Executive Members: Konstantinos Rozakeas of Petros, Konstantinos Stamatiou of Fokionos

Non-Executive Members: Aikaterini Sarantis of Pantazis, Antonios Agiostratitis of Miltiadis

Independent Non-Executive Members: Dimitrios Efstathiou of Konstantinos, Emmanuel Souriadakis of Ioannis.

The Board of Directors convenes regularly according to the needs of the company and the issues to be discussed and at least once a month. The company's Legal Advisor, who is also an executive member of the Board, keeps the minutes of the meeting. It is noted that during 2012, the presence of executive and non-executive members amounted to over 90%, while the presence of independent non-executive to almost 20% of the meetings.

The members of the Board of Directors have the right to request by Management, through the Chief Executive Officer, any information they deem necessary to perform their responsibilities.

The executive members, as well as the Audit Committee inform the Board of Directors on the business developments and the significant risks to which the company is exposed, as well as on changes that are applied in legislation.

The independent non-executive members of the Board of Directors have business obligations other than the company's. From the remaining members only the Legal Advisor, under his capacity as an attorney, practices law.

Marousi, 22 March 2013

The Board of Directors

THE CHAIRMAN OF THE BOARD	THE VICE-CHAIRMAN & CHIEF EXECUTIVE OFFICER	THE FINANCE DIRECTOR & BOARD MEMBER
GRIGORIS SARANTIS	**KYRIAKOS SARANTIS**	**KONSTANTINOS ROZAKEAS**
ID NO. X 080619/03	**ID NO. AI 597050/2010**	**ID NO. P 534498/94**

3. AUDIT REPORT

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of "GR. SARANTIS S.A. "

Report on Stand-alone and Consolidated Financial Statements

We have audited the accompanying stand alone and consolidated financial statements of "GR. SARANTIS S.A." and its subsidiaries, which comprise the stand alone and consolidated financial position as at 31 December 2012, and the stand alone and consolidated statements of comprehensive income, changes in equity and cash flows for the year ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Stand-alone and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these stand-alone and consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal controls as management determines is necessary to enable the preparation of stand-alone and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these stand-alone and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the stand-alone and consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the stand-alone and consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the stand-alone and consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the stand-alone and consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying stand-alone and consolidated financial statements present fairly, in all material respects, the financial position of the "GR. SARANTIS S.A." and of its subsidiaries as at December 31, 2012, and their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

a) The Report of the Board of Directors includes a statement of corporate governance, which provide the information specified in paragraph 3d of article 43a of C.L. 2190/1920.

b) We confirm that the information given in the Board of Director's Report is consistent with the accompanying stand alone and consolidated financial statements and complete in the context of the requirements of articles 43a, 108 and 37 of Codified Law 2190/1290.

BAKER TILLY HELLAS

Certified Public Accountants A.E.

396, Mesogion Avenue

15341 Ag.Paraskevi-Athens, Greece

SOEL Reg.No: 148

Athens, 28 th March 2013

The Certified Public Accountant

John V. Kalogeropoulos

SOEL. Reg. No:10741

4. ANNUAL FINANCIAL STATEMENTS

Those responsible for the preparation of the 2012 Annual Financial Statements (01/01/2012 – 31/12/2012) are the signatories at the end of the Financial Statements.

4.1 STATEMENT OF FINANCIAL POSITION

		GROUP		COMPANY	
	Note	31/12/2012	31/12/2011	31/12/2012	31/12/2011
ASSETS					
Non-current assets		**90,468,615.08**	**85,957,840.92**	**81,668,885.13**	**118,702,232.77**
Tangible fixed assets	4.10.16	36,860,327.20	37,863,179.00	30,409,171.19	31,244,177.05
Intangible assets	4.10.16	16,605,026.48	16,823,734.87	5,099,458.12	5,290,798.49
Company goodwill	4.10.2	6,081,168.78	6,142,060.31	1,365,130.32	1,365,130.32
Deferred tax assets	4.10.11	1,415,766.93	1,604,540.30	806,654.08	1,153,763.69
Investments in subsidiaries, associates		16,868,017.54	16,874,029.42	31,941,312.61	73,376,713.61
Financial assets available for sale	4.9.3	12,209,181.12	6,323,091.92	11,835,597.12	6,087,541.92
Other long-term receivables		429,127.03	327,205.10	211,561.69	184,107.69
Current assets		**156,202,904.83**	**154,746,967.45**	**65,768,433.16**	**84,932,483.05**
Inventories	4.10.3	35,737,046.56	37,425,650.69	16,817,878.54	18,775,803.44
Trade receivables	4.10.4	73,637,440.31	71,684,057.45	34,589,806.10	33,023,694.82
Other receivables	4.10.4	5,008,512.77	6,282,643.79	3,938,010.76	2,824,580.55
Cash & cash equivalents	4.10.5	40,477,120.31	38,146,313.04	9,716,284.38	29,819,289.36
Financial assets at fair value through profit and loss	4.10.6	362,100.00	169,400.00	362,100.00	169,400.00
Prepayments and accrued income		980,684.87	1,038,902.48	344,353.38	319,714.88
Total Assets		**246,671,519.91**	**240,704,808.37**	**147,437,318.29**	**203,634,715.82**
Shareholders' EQUITY:					
Share capital	4.10.14	53,547,312.28	59,060,447.60	53,547,312.28	59,060,447.60
Share premium account		39,369,495.98	39,252,195.98	39,369,495.98	39,252,195.98
Reserves		-6,587,563.66	-23,274,187.20	-5,525,415.59	-21,294,786.15
Profit (losses) carried forward		56,273,680.00	51,487,492.33	-24,606,573.47	-16,173,956.20
Total Shareholders' Equity		**142,602,924.60**	**126,525,948.71**	**62,784,819.20**	**60,843,901.23**
Non controlling interest:		**0.00**	**0.00**	**0.00**	**0.00**
Total Equity		**142,602,924.60**	**126,525,948.71**	**62,784,819.20**	**60,843,901.23**
LIABILITIES					
Long-term liabilities		**24,495,901.42**	**21,120,839.72**	**22,702,612.14**	**19,181,643.83**
Loans	4.10.9	21,000,000.00	17,000,000.00	21,000,000.00	17,000,000.00
Deferred tax liability	4.10.11	233,610.65	135,830.40	0.00	0.00
Provisions for post employment employee benefits		858,233.50	1,317,181.00	848,685.00	1,295,498.00
Provisions - Long-term liabilities	4.10.8	2,404,057.27	2,667,828.32	853,927.14	886,145.83
Short-term liabilities		**79,572,693.89**	**93,058,019.94**	**61,949,886.95**	**123,609,170.76**
Suppliers	4.10.7	38,385,602.65	41,940,668.05	19,674,660.99	21,467,173.22
Other liabilities	4.10.7	4,232,668.88	3,520,917.80	10,377,142.24	58,848,853.17
Income taxes - other taxes payable	4.10.10	1,596,986.05	1,552,853.96	345,260.41	320,418.18
Loans	4.10.9	31,000,044.03	42,586,696.05	31,000,000.00	42,500,000.00
Accruals and deferred expenses		4,357,392.27	3,456,884.09	552,823.31	472,726.19
Total Equity & Liabilities		**246,671,519.91**	**240,704,808.37**	**147,437,318.29**	**203,634,715.82**

4.2 STATEMENT OF COMPREHENSIVE INCOME

		GROUP		COMPANY	
		01/01 – 31/12/12	01/01 – 31/12/11	01/01 – 31/12/12	01/01 – 31/12/11
	Note				
Revenue	4.10.1	235,998,293.37	221,293,392.75	100,670,274.10	89,282,711.01
Cost of sales	4.10.13	(123,869,458.43)	(115,744,235.92)	(57,104,260.25)	(52,961,641.69)
Gross operating profit		**112,128,834.94**	**105,549,156.82**	**43,566,013.85**	**36,321,069.32**
Other operating income		4,761,798.90	5,606,084.09	1,117,053.08	1,546,203.78
Administrative expenses	4.10.13	(12,555,360.44)	(12,825,849.59)	(6,344,772.33)	(5,964,054.71)
Distribution expenses	4.10.13	(86,974,876.62)	(82,560,568.96)	(35,855,635.58)	(32,484,284.96)
Operating profit (loss)		**17,360,396.78**	**15,768,822.37**	**2,482,659.02**	**(581,066.57)**
Reversal of Impairment Loss of Subsidiary		-	-	-	25,628,505.61
Financial income-expenses		(2,070,112.31)	(3,115,694.12)	(2,999,630.98)	(4,401,536.10)
Earnings (loss) before taxes		**15,290,284.47**	**12,653,128.25**	**(516,971.96)**	**20,645,902.94**
Income tax	4.10.10	(2,827,058.52)	(2,337,073.65)	-	-
Deferred tax	4.10.11	(308,949.31)	(577,042.07)	(349,265.61)	(270,699.10)
Earnings (loss) after the deduction of tax		**12,154,276.65**	**9,739,012.53**	**(866,237.57)**	**20,375,203.84**
Earnings (loss) after the deduction of tax (A)		**12,154,276.65**	**9,739,012.53**	**(866,237.57)**	**20,375,203.84**
Shareholders of the parent		12,154,276.65	9,735,874.39	(866,237.57)	20,375,203.84
Non controlling interest		-	3,138.14	-	-
Other comprehensive income after taxes (B)		**5,344,439.23**	**(6,664,689.79)**	**4,434,641.22**	**(3,539,679.88)**
Total comprehensive income after taxes (A) + (B)		17,498,715.88	3,074,322.74	3,568,403.65	16,835,523.96
Owners of the parent		17,498,715.88	3,071,184.60	-	-
Non controlling interest		-	3,138.14	-	-
Earnings (loss) per share, which correspond to the parent's shareholders for the period		**0.3496**	**0.2539**	**-0.0249**	**0.5313**

4.2.1 Analysis of other comprehensive income after taxes Group – Parent

	Group		Company	
	01/01 – 31/12/12	01/01 – 31/12/11	01/01 – 31/12/12	01/01 – 31/12/11
Financial assets available for sale	4,554,030.68	-4,026,240.86	4,434,641.22	-3,539,679.88
Foreign exchange differences from conversion to euro	790,408.55	-2,638,448.93	0.00	0.00
Other comprehensive income after taxes	**5,344,439.23**	**-6,664,689.79**	**4,434,641.22**	**-3,539,679.88**

4.3 STATEMENT OF CHANGES IN GROUP'S EQUITY

	Attributed to shareholders of the parent					Non-controlling interests	Total
Amounts in €	Share Capital	Share Premium	Readjustments Reserve and other reserves	Balance of profit / losses	Total		
Balance as at 1 January 2011	**59,060,447.60**	**39,252,195.98**	**-18,438,935.83**	**44,333,921.48**	**124,207,629.24**	**11,607.28**	**124,219,236.51**
Total comprehensive income for the period							
Net profit for the period				9,735,874.39	9,735,874.39	3,138.14	9,739,012.53
Other comprehensive income							
Financial assets available for sale			-4,026,240.86		-4,026,240.86		-4,026,240.86
Foreign exchange differences				-2,638,448.93	-2,638,448.93		-2,638,448.93
Write-off of minority interest due to acquisition of stake in subsidiary					0.00		0.00
Total other comprehensive income	**0.00**	**0.00**	**-4,026,240.86**	**-2,638,448.93**	**-6,664,689.78**	**0.00**	**-6,664,689.78**
Total comprehensive income after taxes	**0.00**	**0.00**	**-4,026,240.86**	**7,097,425.46**	**3,071,184.60**	**3,138.14**	**3,074,322.75**
Other transactions registered in Equity							
Purchase of treasury shares			-912,499.32		-912,499.32		-912,499.32
Distributed dividends				0.00	0.00		0.00
Write-off of minority interest due to acquisition of stake in subsidiary				-85,254.58	-85,254.58	-14,745.42	-100,000.00
Creation of reserves			-149,400.04	149,400.04	0.00		0.00
Expenses for share capital increase				-8,000.07	-8,000.07		-8,000.07
Stock options			252,888.84	0.00	252,888.84		252,888.84
Total other transactions	**0.00**	**0.00**	**-809,010.52**	**56,145.39**	**-752,865.13**	**-14,745.42**	**-767,610.55**
Balance as at 31 December 2011	**59,060,447.60**	**39,252,195.98**	**-23,274,187.20**	**51,487,492.33**	**126,525,948.71**	**0.00**	**126,525,948.71**
Balance as at 1 January 2012	**59,060,447.60**	**39,252,195.98**	**-23,274,187.20**	**51,487,492.33**	***126,525,948.71***	**0.00**	**126,525,948.71**
Total comprehensive income for the period							
Net profit for the period				12,154,276.64	12,154,276.64		12,154,276.64
Other comprehensive income							
Financial assets available for sale			4,554,030.68		4,554,030.68		4,554,030.68
Foreign exchange differences				790,408.55	790,408.55		790,408.55
Write-off of minority interest due to acquisition of stake in subsidiary					0.00		0.00
Total other comprehensive income	**0.00**	**0.00**	**4,554,030.68**	**790,408.55**	**5,344,439.23**	**0.00**	**5,344,439.23**
Total comprehensive income after taxes	**0.00**	**0.00**	**4,554,030.68**	**12,944,685.20**	**17,498,715.88**	**0.00**	**17,498,715.88**
Other transactions registered in Equity							
Purchase of treasury shares			-2,119,928.91		-2,119,928.91		-2,119,928.91
Cancellation of treasury shares	-5,905,835.32		13,738,150.03	-7,832,314.71	0.00		0.00
Distributed dividends					0.00		0.00
Effect from absorption of subsidiary					0.00		0.00
Creation of reserves			989,979.44	-797,863.52	192,115.92		192,115.92
Stock options	392,700.00	117,300.00	-475,607.70	471,680.70	506,073.00		506,073.00
Total other transactions	**-5,513,135.32**	**117,300.00**	**12,132,592.86**	**-8,158,497.53**	**-1,421,739.99**	**0.00**	**-1,421,739.99**
Balance as at 31 December 2012	**53,547,312.28**	**39,369,495.98**	**-6,587,563.66**	**56,273,680.00**	**142,602,924.60**	**0.00**	**142,602,924.60**

4.4 STATEMENT OF CHANGES IN COMPANY'S EQUITY

	Attributed to shareholders of the parent						
Amounts in €	Share Capital	Share Premium	Readjustments Reserve and other reserves	Balance of profit / losses	Total	Non-controlling interests	Total
Balance as at 1 January 2011	**59,060,447.60**	**39,252,195.98**	**-16,946,095.75**	**-36,710,881.87**	***44,655,665.96***	**0.00**	**44,655,665.96**
Total comprehensive income for the period							
Net profit for the period				20,375,203.84	20,375,203.84		20,375,203.84
Other comprehensive income							
Financial assets available for sale			-3,539,679.88		-3,539,679.88		-3,539,679.88
Foreign exchange differences					0.00		0.00
Write-off of minority interest due to acquisition of stake in subsidiary					0.00		0.00
Total other comprehensive income	**0.00**	**0.00**	**-3,539,679.88**	**0.00**	**-3,539,679.88**	**0.00**	**-3,539,679.88**
Total comprehensive income after taxes	**0.00**	**0.00**	**-3,539,679.88**	**20,375,203.84**	**16,835,523.96**	**0.00**	**16,835,523.96**
Other transactions registered in Equity							
Purchase of treasury shares			-912,499.32		-912,499.32		-912,499.32
Distributed dividends					0.00		0.00
Effect from absorption of subsidiary				12,321.79	12,321.79		12,321.79
Creation of reserves			-149,400.04	149,400.04	0.00		0.00
Stock options			252,888.84		252,888.84		252,888.84
Total other transactions	**0.00**	**0.00**	**-809,010.52**	**161,721.83**	**-647,288.69**	**0.00**	**-647,288.69**
Balance as at 31 December 2011	**59,060,447.60**	**39,252,195.98**	**-21,294,786.15**	**-16,173,956.20**	**60,843,901.23**	**0.00**	**60,843,901.23**
Balance as at 1 January 2012	**59,060,447.60**	**39,252,195.98**	**-21,294,786.15**	**-16,173,956.20**	***60,843,901.23***	**0.00**	**60,843,901.23**
Total comprehensive income for the period							
Net profit for the period				-866,237.57	-866,237.57		-866,237.57
Other comprehensive income							
Financial assets available for sale			4,434,641.22		4,434,641.22		4,434,641.22
Foreign exchange differences					0.00		0.00
Write-off of minority interest due to acquisition of stake in subsidiary					0.00		0.00
Total other comprehensive income	**0.00**	**0.00**	**4,434,641.22**	**0.00**	**4,434,641.22**	**0.00**	**4,434,641.22**
Total comprehensive income after taxes	**0.00**	**0.00**	**4,434,641.22**	**-866,237.57**	**3,568,403.65**	**0.00**	**3,568,403.65**
Other transactions registered in Equity							
Purchase of treasury shares			-2,119,928.91		-2,119,928.91		-2,119,928.91
Cancellation of treasury shares	-5,905,835.32		13,738,150.03	-7,832,314.71	0.00		0.00
Distributed dividends					0.00		0.00
Effect from absorption of subsidiary				-205,745.69	-205,745.69		-205,745.69
Creation of reserves			192,115.92		192,115.92		192,115.92
Stock options	392,700.00	117,300.00	-475,607.70	471,680.70	506,073.00		506,073.00
Total other transactions	**-5,513,135.32**	**117,300.00**	**11,334,729.34**	**-7,566,379.70**	**-1,627,485.68**	**0.00**	**-1,627,485.68**
Balance as at 31 December 2012	**53,547,312.28**	**39,369,495.98**	**-5,525,415.59**	**-24,606,573.47**	**62,784,819.20**	**0.00**	**62,784,819.20**

4.5 STATEMENT OF CASH FLOWS

	GROUP		COMPANY	
	01.01-31.12-2012	01.01-31.12-2011	01.01-31.12-2012	01.01-31.12-2011
Operating Activities				
Earnings (loss) before tax	15,290,284.47	12,653,128.25	-516,971.96	20,645,902.94
Plus/minus adjustments for:				
Depreciation/Amortization	3,806,525.05	3,859,367.33	2,271,773.11	2,261,513.33
Impairment/Impairment Reversals of tangible and intangible assets	0.00	0.00	0.00	-25,628,505.61
Foreign Exchange differences	-162,017.72	622,322.69	-32,034.97	-41,631.50
Results(income, expenses, profits and losses) from investing activities	-5,831,326.50	-4,862,233.81	-1,364,547.83	-292,370.50
Interest expense and related expenses	2,898,869.60	3,115,551.73	3,141,677.51	4,734,726.97
Decrease / (increase) in inventories	2,152,410.28	-4,794,668.77	1,957,924.90	-2,692,830.36
Decrease / (increase) in receivables	-444,235.43	-2,374,865.04	-1,156,379.81	3,768,842.01
(Decrease) / increase in liabilities (other than to banks)	-3,425,180.37	2,519,983.04	-288,773.05	3,398,616.96
Less:				
Interest and related expenses paid	-2,973,467.59	-3,160,030.63	-3,216,275.60	-4,768,342.18
Tax paid	-1,720,775.99	-2,120,329.34	-26,663.92	-122,775.41
Total inflows / (outflows) from operating activities (a)	**9,591,085.79**	**5,458,225.45**	**769,728.38**	**1,263,146.65**
Investing Activities				
Acquisition/Sale of subsidiaries, associates, joint ventures and other investments	-857,241.72	-4,203,366.26	38,966,792.46	-4,745,950.37
Purchase of tangible and intangible fixed assets	-2,571,026.30	-8,165,892.80	-1,232,158.28	-946,187.64
Proceeds from sale of tangible and intangible assets	497,357.82	241,737.65	12,795.12	816.30
Interest received	971,216.05	1,147,050.22	415,318.34	811,146.90
Dividends received	4,122,215.78	3,035,446.93	162,215.78	129,363.26
Total inflows / (outflows) from investing activities (b)	**2,162,521.64**	**-7,945,024.26**	**38,324,963.42**	**-4,750,811.55**
Financing Activities				
Proceeds from share capital increase	506,073.00	0.00	506,073.00	0.00
Proceeds from loans granted / assumed	14,000,000.00	17,000,150.00	14,000,000.00	17,000,000.00
Payment of loans	-21,586,652.02	-22,591,909.23	-71,511,395.09	-18,502,462.37
Repayments of liabilities from financial leasing (lease payments)	-212,007.77	-72,371.10	-49,040.58	0.00
Dividends paid	-23,405.20	-3,728.34	-23,405.20	-3,728.34
(Payments)/Proceeds from (purchase)/sale of treasury shares	-2,119,928.91	-912,499.32	-2,119,928.91	-912,499.32
Total inflows / (outflows) from financing activities (c)	**-9,435,920.90**	**-6,580,357.99**	**-59,197,696.78**	**-2,418,690.03**
Net increase / (decrease) in cash and cash equivalents (a+b+c)	**2,317,686.53**	**-9,067,156.80**	**-20,103,004.98**	**-5,906,354.93**
Cash and cash equivalents at the start of the period	38,146,313.04	47,159,692.28	29,819,289.36	35,725,644.29
Effect from foreign exchange differences due to translation to euro	13,120.75	53,777.56	0.00	0.00
CASH & CASH EQUIVALENTS AT THE END OF THE PERIOD	**40,477,120.31**	**38,146,313.04**	**9,716,284.38**	**29,819,289.36**

4.6 NOTES ON THE ANNUAL FINANCIAL STATEMENTS

4.6.1 The company

Gr. Sarantis SA (the company) has the legal form of a société anonyme and is the parent company of the Gr. Sarantis SA group (the group).

The Company's domicile is located at 26 Amarousiou – Chalandriou Street, Marousi Greece, The company's central offices are also located at the same address.

The shares of Gr. Sarantis SA are listed on the main market of the Athens Exchange.

4.6.2 Group structure

The group's companies, which are included in the consolidated financial statements, are the following:

GROUP STRUCTURE

COMPANY	DOMICILE	DIRECT PARTICIPATION PERCENTAGE	INDIRECT PARTICIPATION PERCENTAGE	TOTAL	TAX UN-AUDITED FISCAL YEARS
FULL CONSOLIDATION METHOD	-	-	-	-	-
SARANTIS ANADOL S.A.	TURKEY	100.00%	0.00%	100.00%	2005-2012
SARANTIS BULGARIA L.T.D	BULGARIA	0.00%	100.00%	100.00%	2007-2012
SARANTIS ROMANIA S.A.	ROMANIA	0.00%	100.00%	100.00%	2007-2012
SARANTIS BELGRADE D.O.O	SERBIA	0.00%	100.00%	100.00%	2011-2012
SARANTIS BANJA LUKA D.O.O	BOSINA	0.00%	100.00%	100.00%	-
SARANTIS SKOPJE D.O.O	F.Y.R.O.M.	0.00%	100.00%	100.00%	2005-2012
SARANTIS POLSKA S.A.	POLAND	0.00%	100.00%	100.00%	2008-2012
SARANTIS CZECH REPUBLIC sro	CZECH REPUBLIC	0.00%	100.00%	100.00%	2006-2012
SARANTIS HUNGARY Kft.	HUNGARY	0.00%	100.00%	100.00%	2010-2012
GR SARANTIS CYPRUS L.T.D	CYPRUS	100.00%	0.00%	100.00%	2009-2012
ZETAFIN LTD	CYPRUS	0.00%	100.00%	100.00%	2009-2012
ZETA COSMETICS L.T.D	CYPRUS	0.00%	100.00%	100.00%	2009-2012
WALDECK L.T.D	CYPRUS	0.00%	100.00%	100.00%	2009-2012
SAREAST L.T.D	CYPRUS	0.00%	100.00%	100.00%	2009-2012
ELODE FRANCE S.A.R.L	FRANCE	100.00%	0.00%	100.00%	-
SARANTIS RUSSIA Z.A.O	RUSSIA	0.00%	100.00%	100.00%	2006-2012
PROPORTIONATE CONSOLIDATION METHOD					
THRACE-SARANTIS S.A.	GREECE	0.00%	50.00%	50.00%	2009-2012
EQUITY CONSOLIDATION METHOD					
ELCA COSMETICS LTD	CYPRUS	0.00%	49.00%	49.00%	2007-2012
ESTEE LAUDER HELLAS S.A.	GREECE	0.00%	49.00%	49.00%	2009-2012
ESTEE LAUDER BULGARIA	BULGARIA	0.00%	49.00%	49.00%	2006-2012
IM COSMETICS S.A.	ROMANIA	0.00%	49.00%	49.00%	2007-2012

Note:

A) On 23 February 2012 the merger of the Société Anonyme companies “GR. SARANTIS S.A.” and its 100% subsidiary “VENTURES SA” was approved, with absorption of the latter by the former. All transactions that took place after the Balance Sheet transformation date of 31.12.2010 were accounted for on behalf of the absorbing company. For comparability and clarity purposes we present the results of the annual financial statements of 31.12.2012 and the comparative financial statements of 31.12.2011 as if the absorption had taken place from the previous period:

PARENT COMPANY	**Published data 31/12/2012**	**Adjusted data 31/12/2012**
Revenue	100,670,274.10	100,009,145.70
Cost of sales	-57,104,260.25	-56,908,381.16
Gross operating profit	**43,566,013.85**	**43,100,764.54**
Other operating income	1,117,053.08	1,092,825.82
Administrative expenses	-6,344,772.33	-6,121,929.19
Distribution expenses	-35,855,635.58	-35,584,691.50
Operating profit	**2,482,659.02**	**2,486,969.67**
Financial income – expenses	-2,999,630.98	-2,999,360.61
Loss before taxes	**-516,971.96**	**-512,390.94**
Income tax	-349,265.61	-349,265.61
Loss after the deduction of tax	**-866,237.57**	**-861,656.55**

	Published data 31/12/2011	**Adjusted data 31/12/2011**
Revenue	89,282,711.01	89,943,839.41
Cost of sales	-52,961,641.69	-53,157,520.78
Gross operating profit	**36,321,069.32**	**36,786,318.63**
Other operating income	1,546,203.78	1,570,431.04
Administrative expenses	-5,964,054.71	-6,186,897.85
Distribution expenses	-32,484,284.96	-32,755,229.04
Operating profit	**-581,066.57**	**-585,377.22**
Reversal of Impairment Loss of Subsidiary Company	25,628,505.61	25,628,505.61
Financial income – expenses	-4,401,536.10	-4,401,806.47
Loss before taxes	**20,645,902.94**	**20,641,321.92**
Income tax	-270,699.10	-270,699.10
Loss after the deduction of tax	**20,375,203.84**	**20,370,622.82**

It is noted that on a consolidated basis the group’s results were not affected given that the absorbed company was a 100% subsidiary and thus was incorporated in the consolidated financial statements with the full consolidation method.

B) On 12 December 2012, the cross-border merger of the companies “Gr. Sarantis Cyprus Limited” and its 100% subsidiary “Zeta S.A.” was approved with absorption of the latter by the former.

It is noted that on a consolidated basis the group’s results were not affected given that the absorbed company was a 100% subsidiary and thus was incorporated in the consolidated financial statements with the full consolidation method.

C) During the current period, the fully owned subsidiary of Sarantis Romania S.A., Sarantis Distribution S.C., was absorbed by the former company.

It is noted that on a consolidated basis the group’s results were not affected given that the absorbed company was a 100% subsidiary and thus was incorporated in the consolidated financial statements with the full consolidation method.

D) According to a resolution dated 27/03/2012, GR. SARANTIS CYPRUS LTD., a fully owned subsidiary of GR.SARANTIS S.A., completed a capital reduction towards its parent company of 39 mil. euros.

Business activity

The group is active in the production and trade of cosmetics, household use products and parapharmaceutical items.

The group's basic activities have not changed from the previous year.

4.7 BASIS FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

4.7.1 Compliance with IFRS

The consolidated and individual financial statements of "GR. SARANTIS S.A." are in accordance with the International Financial Reporting Standards (IFRS), which have been issued by the International Accounting Standards Board (IASB) as well as their interpretations, which have been issued by the International Financial Reporting Interpretations Committee (IFRIC) of IASB that have been adopted by the European Union.

4.7.2 Basis for the preparation of the financial statements

The consolidated and stand-alone financial statements of "GR. SARANTIS S.A." have been prepared according to the going concern principle and the historic cost principle, as such is amended by the adjustment of specific asset and liability items.

4.7.3 Approval of financial statements

The annual consolidated financial statements have been approved by the company's Board of Directors on 22/03/2013.

4.7.4 Covered period

The present annual consolidated financial statements include the financial statements of "GR. SARANTIS S.A." and its subsidiaries, which together are referred to as the group, and cover the period from January 1st 2012 to December 31st 2012.

4.7.5 Presentation of the financial statements

The present financial statements are presented in €, which is the group's operating currency, namely the currency of the primary economic environment in which the parent company operates.

4.7.6 Significant judgments and estimations by Management

The preparation of the Financial Statements according to the International Accounting Standards requires the implementation of estimations, judgments and assumptions, that may affect the accounting balances of assets and liabilities and the required disclosures for contingent receivables and liabilities, as well as the amount of income and expenses recognized.

The use of adequate information and the implementation of subjective judgment constitute inseparable data for the conduct of estimations in the valuation of assets, liabilities for employee benefits, impairment of assets, recognition of deferred tax assets and pending judicial cases. The estimations are considered significant but not binding. Actual future results may differ from the aforementioned estimations.

4.7.7 New standards, amendments to standards and interpretations

Standards and Interpretations that have been issued but are not effective for the present financial year

The following new and amended standards and interpretations have been issued but are not effective for the annual accounting period beginning at 1 January 2012. Such standards have not been adopted in advance and the Group and Company are assessing their possible effect on the financial statements:

- **IAS 1 (Amendment) "Presentation of Financial Statements" (effective for annual accounting periods beginning on or after 1 July 2012)**

The amendment requires entities to separate items presented in other comprehensive income into two groups, based on whether or not such may be recycled to profit or loss in the future.

- **IAS 19 (Amendment) "Employee Benefits" (effective for annual accounting periods beginning on or after 1 January 2013)**

This amendment makes significant changes to the recognition and measurement of defined benefit pension costs and termination benefits (eliminates the corridor approach) and to the disclosures for all employee benefits. The key changes relate mainly to recognition of actuarial gains and losses, recognition of past service cost / curtailment, measurement of pension expense, disclosure requirements, treatment of expenses and taxes relating to defined benefit plans and distinction between "short-term" and "other long-term" benefits.

- **IFRS 9 "Financial Instruments" (effective for annual accounting periods beginning on or after 1 January 2015)**

IFRS 9 is the first phase of the International Accounting Standards Board's (IASB) project to replace IAS 39 and deals with the classification and measurement of financial assets and financial liabilities. The IASB intends to expand IFRS 9 in subsequent phases in order to add new requirements for impairment and hedge accounting.

- **IFRS 13 "Fair Value Measurement" (effective for annual accounting periods beginning on or after 1 January 2013)**

With the new standard, a unified framework is established in depicting assets at fair value whenever it is required or provided from other standards. IFRS 13 provides a precise definition of fair value as well as guidance on the measurement of fair value and the disclosure requirements, regardless of the standard according to which the use of fair value is applied. The new standard describes the acceptable practices in estimating fair value, from the adoption of the standard and afterwards. The new standard does not imply introduction of new requirements regarding the valuation of an asset or liability at fair value. It does not lead to any changes in assets or liabilities which have been recorded at fair value and does not affect the presentation of the fair value changes.

- **IFRIC 20 "Stripping costs in the production phase of a surface mine" (effective for annual accounting periods beginning on or after 1 January 2013)**

This interpretation provides guidance on accounting for the costs of waste removal (stripping costs) in the production phase of a surface mine. The interpretation does not apply to the Group and Company.

- **IFRS 7 (Amendment) "Financial Instruments: Disclosures" (effective for annual accounting periods beginning on or after 1 January 2013)**

The International Accounting Standards Board (IASB) released this amendment to add information which will assist the users of financial statements to evaluate the effect, if any, of the agreements for settlement of financial assets and liabilities, including offsetting rights with regard to financial assets and liabilities, on the entity's financial position.

- **IAS 32 (Amendment) "Financial Instruments: Presentation" (effective for annual accounting periods beginning on or after 1 January 2014)**

This amendment to the application guidance of IAS 32 clarifies some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position. The amendments present the common practice based sequences when the offsetting criteria are applied based on IAS 32 "Financial Instruments". The amendments regarding the presentation clarify the following: a) "for the time being there is a legally valid offsetting right" and b) "certain offsetting systems on gross basis can be considered equal to certain offsetting systems on net basis".

Group of standards for the consolidation and the joint arrangements (effective for annual accounting periods beginning on or after 1 January 2013).

The International Accounting Standards Board (IASB) published five new standards with regard to the consolidation and the joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (Amendment) and IAS 28 (Amendment). Earlier application of the standards is valid only in the case of simultaneous application of all five standards.

- **IFRS 10 "Consolidated Financial Statements"**

IFRS 10 replaces all of the guidance on control and consolidation in IAS 27 and SIC 12. The new standard changes the definition of control as a factor for determining which entities should be consolidated. The new standard also includes guidance on participating and protective rights, as well as on agency/ principal relationships.

- **IAS 11 "Joint Arrangements".**

Joint arrangements are classified as jointly controlled arrangements and joint ventures. The application of the proportional consolidation method for joint ventures is not any longer acceptable. The parties of the joint ventures must mandatorily apply the equity consolidation method. Economic entities which participate in jointly controlled arrangements will apply similar accounting treatment as the one currently applied from the participants in jointly controlled assets or jointly controlled activities. The standard provides also clarification for the participants in joint arrangements without the existence of joint control.

- **IFRS 12 "Disclosure of interests in other entities".**

IFRS 12 provides for economic entities to disclose information including significant crisis issues and affairs. Such information assists the reader of financial statements to evaluate the nature, risks and financial implications from the participation of an entity to subsidiaries, associates, joint ventures and structured entities.

- **IAS 27 (Amendment) "Separate Financial Statements**".

This standard was released simultaneously with the IFRS 10 and they both substitute IAS 27 "Consolidated and Separate Financial Statements". The amended IAS 27 defines the accounting treatment and the necessary disclosures regarding participation in subsidiaries, joint ventures and associates, when an entity prepares separate financial statements. The Board has transferred to IAS 27 terms of IAS 28 "Investments in Associates and Joint Ventures" and of IAS 31 "Participation in Joint Ventures" which refer to the separate financial statements.

- **IAS 28 (Amendment) "Investments in Associates and Joint Ventures".**

The amendment of IAS 28 updates IAS 28 "Investments in Associates". The objective of this revised standard is to define the accounting principles that must be applied due to changes that result from the publication of IFRS 11. The revised standard defines the mechanisms for applying the equity method in associates and joint ventures.

Standards and Interpretations that have been issued and applied for the current financial year

The financial statements have been compiled according to the same accounting policies adopted for compiling the financial statements of the previous financial year except for the mandatory application of new standards and interpretations for accounting periods starting from 1 January 2012 as presented below:

- **IFRS 7 (Amendment) "Financial Instruments: Disclosures" - transfers of financial assets (effective for annual accounting periods beginning on or after 1 July 2011)**

This amendment sets out disclosure requirements for transferred financial assets not de-recognized in their entirety as well as on transferred financial assets derecognized in their entirety but for which the Group has continuing involvement. It also provides guidance on applying the disclosure requirements.

- **IAS 12 (Amendment) "Income Taxes" (effective for annual accounting periods beginning on or after 1 January 2012)**

The amendment to IAS 12 provides a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model according to IAS 40 "Investment Property".

The application of the above new and amended standards and interpretations had no effect on the financial statements or the position of the Group or the Company.

4.8 BASIC ACCOUNTING PRINCIPLES

4.8.1 Consolidation

4.8.1.1 Subsidiaries

The Group's subsidiaries are legal entities on which the Group has the ability to set the operational and financial policies, usually by participating in their share capital with a voting right over 50%. The existence and effect of voting rights that may be exercised or converted are taken into account when establishing whether the Group controls a legal entity.

Subsidiaries are consolidated with the full consolidation method from the date that control is transferred to the Group and cease to be consolidated from the date that this control no longer exists.

The accounting method of the acquisition is used for the accounting entries of the subsidiaries' acquisition by the Group. The acquisition cost is calculated as the fair value of assets acquired, liabilities assumed or existing and financial products issued during the transaction date. Expenses related to the acquisition are registered in the results. The assets acquired, the liabilities and contingent liabilities assumed during a business combination are initially recognized at fair value during the acquisition date. According to the case, the Group recognizes the value of the minority interest either at fair value or as a percentage of the minority shareholders on the net assets acquired. The difference between the acquisition cost, the proportion of the minority interest plus fair value during the acquisition date of a previous participation and the Group's share in the net assets acquired, is booked as goodwill. If this value is less than the fair value of net assets acquired, the difference is registered directly in the results.

Transactions between group companies and unrealized profit related to transactions between Group companies are eliminated. Unrealized losses are also eliminated. The accounting principles of subsidiaries have been amended when necessary in order to conform to the accounting principles of the Group. In the financial statements of the parent company, investments in subsidiaries are valued at acquisition cost minus any cumulative impairment loss.

4.8.1.2 Investments in associate companies

Associates are companies on which the Group can exert significant influence but which do not fulfill the conditions to be classified as subsidiaries or joint ventures. Significant influence is the authority to participate in decisions that regard decisions for the issuer's financial and business policies, but not control on such polices. Significant influence is usually implied when the group holds a percentage between 20% and 50% of the voting rights through ownership of shares or another type of agreement.

Investments in associates are initially recognized at cost and are subsequently valued using the equity method for consolidation purposes. Goodwill is included in the book cost of the investment and is examined for impairment as part of the investment.

When an economic unit of the group transacts with a group's associate company, any possible intra-company profit and losses are written-off by the participation percentage of the group in the relevant associate company.

All subsequent changes of the participation percentage in the associate company's net position are recognized in book value of the group's investment.

Changes that arise from the profit or losses of associates are registered in the consolidated profit and loss account.

Changes that have been directly recognized in equity of the associates are recognized in the group's consolidated equity.

Any changes recognized directly in equity that are not related to a result, such as the distribution of dividends or other transactions with shareholders of the associate, are registered in the book value of the participation. No effect in the net result or equity is recognized in the context of such transactions.

When the share of losses in as associate for the group is equal or over the book value of the investment, including any other secured receivables, the group does not recognize further losses, unless it has been burdened with commitments or has proceeded with payments on behalf of the associate.

The accounting policies of associates are amended when deemed necessary in order to render such consistent with the policies adopted by the group.

In the parent's financial statements, investments in associates are valued, according to IAS 28, at acquisition cost minus any accumulated impairment loss.

4.8.1.3 Joint Ventures

Economic units whose financial activities are controlled jointly by the group and by other joint venture entities independent to the group, are accounted for using proportionate consolidation.

In the case where the group sells assets to the joint-venture, it recognizes only the profit or loss from the transaction that corresponds to the participation of the other members.

However, if the group purchases assets from the joint-venture, it does not recognize its share in the profit or loss until it sells the asset to third parties. In the case of indications of impairment of assets acquired by the joint-venture, then any loss is recognized in whole.

Intra-company balances of the group with the joint-venture are written-off, canceling the balances of the joint-venture by the share of the investing company.

4.8.2 Foreign currency translation

Transactions in foreign currency are translated to the operating currency using exchange rates in effect during the date of the transactions.

Profit and losses from foreign exchange difference, which arise from the settlement of such transactions during the period and from the conversion of monetary items expressed in foreign currency with the effective exchange rates during the balance sheet date, are registered in the results.

Foreign exchange differences from non-monetary items valued at fair value, are considered as part of the fair value and thus are registered accordingly as fair value differences.

Items of the financial statements of the group's companies are calculated based on the currency of the economic environment in the country where each group company operates.

The individual financial statements of companies participating in the consolidation, and which are initially presented in a currency different than the group's presentation currency, have been converted to €. The assets and liabilities have been converted to € according to the closing exchange rate during the balance sheet date. Income and expenses have been converted to the group's presentation currency at average exchange rates of each reported period. Any differences that arise from this procedure have been transferred to an equity reserve.

4.8.3 Financial information by segment

The company's Board of Directors is the main decision maker and controls the internal financial reporting in order to assess the company's and Group's performance and make decisions relating to the allocation of resources.

The Management has defined activity sectors based on such internal reports according to IFRS 8. Operating segments are defined as the segments in which the Group operates and on which the Group's internal information system is based.

For the breakdown per operating segment, the following have been taken into account:

- The nature of products and services.
- The quantitative limits defined by IFRS 8.

The Group offers information per geographic segment as additional information to readers of the financial statements.

4.8.4 Goodwill

Goodwill which is acquired during a business combination, is initially recognized at cost, which is the excess cost of the combination, over the group's proportion in the fair value of net assets acquired.

Following the initial recognition, goodwill is calculated at cost minus any accumulated impairment losses. The group examines goodwill for impairment at least on an annual basis. Impairment losses that are registered for goodwill are not reversed in subsequent periods.

4.8.5 Intangible assets

Intangible assets of the group are initially recognized at acquisition cost. Following the initial recognition, intangible assets are calculated at cost minus accumulated amortization and any impairment loss that may have emerged.

The useful economic life and depreciation method are reviewed at least at the end of each financial period. If the estimated useful life or expected burn-up rate of future economic benefits incorporated in another intangible asset have changed, the changes are accounted for as changes in accounting estimations.

Intangible assets mainly include the acquired software used in production or management.

4.8.6 Tangible assets

Land-plots and buildings are presented in the financial statements at readjusted values minus accumulated depreciations.

The fair value of land-plots and buildings is defined periodically by an independent evaluator.

The mechanical equipment and other tangible fixed assets are presented at acquisition cost minus accumulated depreciations and possible impairment losses.

The acquisition cost of fixed assets includes all expenses directly attributed to the acquisition of the assets. Subsequent expenses are registered as in increase of the tangible assets' book value or as a separate fixed asset, only to the extent where such expenses increase the future economic benefits expected to arise from the use of the fixed assets, and the cost of such may be reliably calculated. The cost of repairs and maintenance is registered in the results of the period where such are realized.

Self-produced tangible assets constitute and addition to the acquisition cost of tangible assets at values that include the direct payroll cost for staff that participates in the construction, the cost of used materials and other general costs.

The depreciations of tangible fixed assets are calculated with the straight line method during their useful life, which is as follows:

Buildings	from 25 to 60 years
Mechanical equipment	from 8 to 10 years
Vehicles	from 5 to 9 years
Other equipment	from 3 to 5 years

The residual values and useful economic lives of tangible fixed assets are subject to reassessment at each balance sheet date. When the residuals values, the expected useful life or expected burn-up rate of future economic benefits incorporated in an asset have changed, the changes are accounted for as changes in accounting estimations.

Upon sale of the tangible fixed assets, any difference between the proceeds and the book value are booked as profit or loss to the results.

The book value of tangible fixed assets is examined for impairment when there are indications, namely events or changes in circumstances, that the book value may not be recoverable. If there is such an indication and the book value exceeds the estimated recoverable amount, the assets or cash flow creation units are impaired to the recoverable amount. The recoverable amount of property, facilities and equipment is the largest between their net sales price and their value in use. For the calculation of the value in use, the expected future cash flows are discounted to present value using a pre-tax discount rate that reflects the market's current expectations for the time value of money and related risks as regards to the asset. When the book values of tangible assets exceed their recoverable value, the difference (impairment) is registered initially as a reduction of the created fair value reserve (if there is such for the relevant fixed asset), which is presented in equity accounts. Any impairment loss that emerges over the created reserve for the specific fixed asset, is recognized directly as an expense in the profit and loss account.

4.8.7 Impairment of financial assets

Assets with an indefinite useful economic life are not depreciated and are subject to impairment reviews annually and also when several events or changes in conditions indicate that the book value may not be recoverable. The assets depreciated are subject to impairment review when there are indications that their book value will not be recovered. Impairment losses are recognized for the amount for which the book value of the fixed asset exceeds its recoverable value. The recoverable value is the largest between fair value less the relevant cost required for the sale and value in use (present value of cash flows expected to be generated according to management's estimation on the future financial and operating conditions). To estimate impairment losses, assets are classified in the smallest possible cash flow generating units. Non-financial assets apart from goodwill, that have suffered impairment are re-assessed for possible reversal of the impairment during each balance sheet date.

4.8.8 Inventories

The cost of inventories is defined using the weighted average method, and includes all the expenses realized in order to render inventories to their current position and condition and which are directly attributable to the production process, as well as part of general expenses related to the production. During the Balance Sheet date, inventories are presented at the lowest price between acquisition cost and net realizable value.

Net realizable value is the estimated sales price during the normal conduct of the company's activities, minus the estimated cost necessary to realize the sale.

4.8.9 Financial instruments

Financial instrument is any contract that creates a financial asset in an enterprise and a financial liability or equity instrument in another. The financial instruments of the Group are classified in the following categories: Financial assets at fair value through profit and loss, investments held until maturity, investments available for sale and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management defines the classification during the initial recognition and reviews the classification at each balance sheet date.

4.8.9.1 Financial assets at fair value through profit and loss

A financial asset is included in this category if it is acquired with the intention to be sold in a short period of time or if it has been characterized as such by management. Derivatives are also included in the category for sale unless such are intended for risk hedging. Assets in this category are included in current assets either because such are intended for sale or are to be liquidated within twelve months from the balance sheet date.

4.8.9.2 Loans and receivables

Such included non-derivative financial assets with fixed or pre-defined payments, which are not traded on active markets and there is no intention to sell such. Loans and receivables are included in current assets, except for those with a maturity over 12 months from the balance sheet date. The latter are included in non-current assets. Loans and receivables are included in trade and other receivables in the statement of financial position.

4.8.9.3 Financial assets held until maturity

Such include non-derivative financial assets with fixed or pre-defined payments and a specific maturity date, which the Group's management intends and has the ability to hold until maturity. In case such assets are sold entirely or partially (unless the amount is trivial) then the entire category will be eliminated and the relevant assets must be re-classified to available for sale.

4.8.9.4 Financial assets available for sale

Such include non-derivative financial assets that are either defined in this category or cannot be included in any of the above categories. Financial assets available for sale are included in non-current assets given that Management has no intention of liquidating such within 12 months from the Balance Sheet date.

4.8.10 Recognition and measurement

Financial assets measured at fair value through profit and loss are initially recognized at fair value and the transaction expenses are presented in the profit and loss account. The purchases and sales of financial assets are recognized during the transaction date that is also the date when the Group commits to purchasing or selling the investment. Financial assets are initially recognized at fair value plus the expenses directly attributed to the transaction, for all financial assets recognized at fair value through profit and loss. Financial assets are eliminated when the right to cash flows from the investments matures or is transferred and the Group has essentially transferred all the risks and rewards emanating from ownership. Financial assets available for sale are valued subsequently at cost minus impairment losses, given that equity instruments cannot be valued accurately.

Loans and receivables, as well as financial assets held until maturity are recognized at present value using the effective interest rate method. Realized and valuation profit or losses that result from a change in the fair value of assets in the category "financial assets through profit and loss" are registered in the results during the period when such are realized. Valuation profit or losses that result from the change in fair value of non-financial assets available for sale are included directly in equity. When investments available for sale are sold or impaired, the cumulative change in their fair value is transferred to the results as profit or loss from investments in securities. The fair values of financial assets that are traded on active markets are defined by the current market prices. For non-traded assets, the fair values are defined by the use of valuation techniques, such as analysis of recent transactions, comparable traded assets and discounted cash flows, that are specialized at reflecting the actual conditions of the issuer.

4.8.11 Impairment of financial assets

At each balance sheet date, the Group assesses whether there are objective indications that lead to the conclusion that financial assets have suffered impairment. For shares of companies listed as financial assets available for sale, such an indication refers to the significant or continuous reduction in fair value compared to the acquisition cost. If impairment is evidenced, the cumulative loss in equity – which corresponds to the difference between the acquisition cost and fair value minus previous impairment losses that had been recognized in the results for the specific financial asset – is transferred to the results. The impairment losses of equity instruments registered in the results are not reversed through the results. If there is objective indication for impairment of financial assets held until maturity that are presented at their net book value, then the impairment loss is calculated as the difference between the book value of the asset and the present value of estimated future cash flows (excluding future losses from credit risks that have not been realized), discounted with the initial effective interest rate of the financial assets. The current amount of the asset, is decreased using a provision account for impairment and the loss is recognized in the results.

4.8.12 Trade receivables

Trade receivables are initially recognized at fair value and are measured subsequently at net book value using the effective interest rate, minus any impairment provisions. Impairment provisions are recognized when there is objective indication that the Group is not in a position to collect all amounts due according to the contractual terms. Trade receivables include bills of exchange and notes receivables from customers. Serious financial problems of a customer, the possibility of default or financial restructuring and the inability to perform normal payments are considered indications that the receivables is impaired. The amount of the impairment provision is the difference between the book value of receivables and the present value of estimated future cash flows, discounted with the effective interest rate. The amount of the impairment loss is registered in the results as an expense.

4.8.13 Cash & cash equivalents

Cash & cash equivalents include cash in banks and in hand, as well as short-term highly liquid investments such as repos and bank deposits with a maturity less than three months.

4.8.14 Share capital

The share capital includes the Company's common shares. Direct expenses realized for the issue of shares are presented after the deduction of the relevant income tax, and reduce the product of the issue.

4.8.15 Loans

Loans are initially registered at fair value, minus any direct expenses realized for the transaction. Subsequently loans are valued at net book cost. Any difference between the received amount (net of relevant expenses) and the repayment value is recognized in the results during the borrowing term according to the effective interest rate method. Loans are characterized as short-term liabilities unless the Group has the final right to postpone payment for at least 12 months following the balance sheet date.

4.8.16 Leases

Leases of fixed assets where the Group essentially maintains all the risks and benefits of ownership are classified as financial leases. Financial leases are capitalized at the inception of the lease at the lower value between the fair value of the fixed asset and the present value of minimum leases. Each lease payment is allocated between the liability and the financial expenses so as to achieve a fixed interest rate on the balance of the liability. The corresponding liabilities from leases, net of financial expenses, are presented in liabilities. The part of the lease's financing cost that refers to interest, is recognized in the results throughout the lease period in a way that assures a fixed rate on the balance of the liability during each period. Fixed assets acquired with financial leasing are depreciated within the smallest period between the useful life of the assets and the duration of their lease. Leases where essentially all the risks and benefits of ownership are maintained by the lessor, are classified as operating leases. The lease payments of an operating lease (net of any incentives offered by the lessor) are registered proportionately in the results throughout the duration of the lease period.

4.8.17 Employee benefits

4.8.17.1 Short-term benefits

Short-term employee benefits (apart from employment termination benefits) in money and in kind, are recognized as an expense on an accrual basis.

4.8.17.2 Liabilities for staff retirement indemnities

Payments are defined by Greek law and the regulation of the pension funds. The Group has both defined contribution and defined benefit plans.

Defined benefit plans are those pension plans that define a specific amount of pension that will be received by the employee during retirement, which usually depends on one or more factors such as age, employment years and wage level.

Defined contribution plans are those pension plans in the context of which the Group realizes defined payments to a separate legal entity. The Group has no legal obligation to pay further contributions if the pension fund does not have adequate assets to pay all employees the benefits related to their employment service during the present and during the previous periods.

The liability registered in the balance sheet for defined benefit plans is the present value of the liability for the defined benefit together with the changes that result from the non-recognized actuarial profit and losses and the prior employment service cost. The liability of the defined benefit is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit liability is calculated by discounting the future cash outflows using the yield of long-term Greek government bonds with a similar duration with the pension plan as the discount rate. The cumulative actuarial profit and losses that result from the adjustments based on historic data and the assumptions of the actuarial study and which exceed 10% of the defined benefit liability are registered in the results during the expected average insurance employment period of those participating in the plan. The prior employment service cost is registered directly in the results except for the case where changes in the plan depend on the remaining employment service of employees. In the latter case, the employment service cost is registered in the results with the straight line method throughout the maturity period.

For defined contribution plans the Group pays contributions to State pension funds on a mandatory basis. The Group has no other liability given it has paid its contributions. Contributions are recognized as employee expenses when due. Contributions that are prepaid are recognized as an asset when there is the possibility of a rebate or offset with new dues.

4.8.17.3 Share based payments

The Group has a stock option plan in effect. The total amount of the expense during the maturity period of the option is defined according to the fair value of the plan during the period when the option is provided. The conditions not related to the purchase are included in the assumptions for the definition of the number of options expected to be exercised. At each balance sheet date, the Group revises its estimations on the number of stock options expected to be exercised. It recognizes the effect of the revision of initial estimations in the results with a corresponding adjustment of equity.

4.8.18 Recognition of income and expenses

Income includes the fair value of sales of goods and provision of services, net of Value Added Tax, tariffs, discounts and rebates. Income is recognized when it is likely that economic benefits will arise for the Group. Income between Group companies consolidated with the full consolidation method, are fully written-off. Expenses are recognized in the results on an accrual basis. Payments realized for operating leases are transferred to the results as an expense, during the use of the lease. Interest expenses are recognized on an accrual basis.

The recognition of income is as follows:

4.8.18.1 Provision of services

Income from agreements for provision of services at a predefined price is recognized based on the completion stage of the transaction during the balance sheet date.

When the result of the transaction that concerns provision of services cannot be reliably estimated, the income is recognized only to the extent where the recognized expenses are recoverable.

4.8.18.2 Sales of goods

Sales of goods are recognized when the Group delivers ownership and all the risks related to ownership of the goods to customers, the goods are accepted by the latter and the collection of the receivable is reasonably secured.

4.8.18.3 Interest income

Interest income is recognized based on the time proportion and by using the real interest rate.

4.8.18.4 Income from Dividends

Dividends are accounted for as income when the right to receive such is established.

4.8.19 Government grants

The Group recognizes the government grants that cumulatively satisfy the following criteria:

- There is reasonable certainty that the company has complied or will comply to the conditions of the grant and
- It is probable that the amount of the grant will be received.

Government grants that relate to acquisition of fixed assets are presented as a deferred income in liabilities and recognized in the results during the useful life of the fixed assets such refer to.

4.8.20 Contingent Liabilities and Provisions

Provisions are booked when the Group has a present, legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably measured. The provisions are reviewed at every balance sheet date and are adjusted so as to reflect the present value of the expense deemed necessary to settle the liability. Contingent liabilities are not recorded in the financial statements but are disclosed, except if the probability of an outflow of resources that embody economic benefits is very small. Contingent assets are not recorded in the financial statements but are disclosed if the inflow of economic benefits is probable.

4.8.21 Dividend distribution

Dividend distribution to shareholders of the parent from the period's profit, are recognized as a liability in the individual and consolidated financial statements on the date when the distribution is approved by the General Shareholders' Meeting.

4.8.22 Current and deferred taxation

The period's charge with income tax consists of current taxes and deferred taxes. Tax is recognized in the "Statement of comprehensive income", unless it is related to amounts recognized directly in "Equity". In the latter case tax is also recognized in Equity.

Income tax on earnings, is calculated based on the tax law in effect during the balance sheet date in countries where the Group's activities are carried out and is recognized as an expense during the period when earnings are gained. Management periodically reviews cases where the relevant tax law needs clarifications when interpreted. When deemed necessary provisions are made on the amounts expected to be paid to the tax authorities.

Deferred income tax is calculated according to the liability method which results from the temporary differences between the book value of assets or liabilities in the financial statements with their respective tax base. Deferred income tax is not recorded if such results from the initial recognition of an asset or liability in a transaction, apart from a business combination, which did not affect the accounting or the tax profit or loss when realized. Deferred tax is defined according to the tax rates and laws in effect during the balance sheet date and those expected to be effective when the deferred tax assets will be realized or the deferred tax liabilities repaid.

Deferred tax assets are recognized to the extent that there will be future taxable profit for the use of the temporary difference that creates the deferred tax asset. Deferred tax assets and liabilities are offset only when the law permits the offsetting of tax assets and liabilities and given that the deferred tax assets and liabilities arise from the same tax authority on one entity that is taxed or on different entities when the settlement is intended to take place through offsetting.

4.8.23 Non current assets held for sale and discontinued operations

Assets held for sale include tangible fixed assets that the Group intends to sell within one year from their classification as “held for sale”.

Assets classified as “held for sale” are valued at the lowest between their book value directly prior to their classification as held for sale, and their fair value less any sale cost. Assets classified as “held for sale” are not subject to depreciation. The profit or loss that results from the sale and re-valuation of assets “held for sale” is included in the results.

The Group has not classified non current assets as held for sale.

4.9 FINANCIAL RISK MANAGEMENT

4.9.1 Capital Management

The Group’s objectives as regards to management of capital, is to reassure the ability for the Group’s smooth operation, aiming at providing satisfactory returns to shareholders and to maintain an ideal capital structure by reducing thus the cost of capital. The Group monitors its capital based on the leverage ratio. The leverage ratio is calculated by dividing net debt with total employed capital. Net debt is calculated as “Total debt” (including “short-term and long-term debt” as presented in the Statement of Financial Position) minus “Cash and cash equivalents”, “Financial assets available for sale” and “financial assets at fair value through the profit and loss”. The calculation of net debt does not include the purchase of treasury shares. Total employed capital is calculated as “Shareholders’ Equity” as presented in the statement of financial position plus net debt. The leverage ratio on 31 December 2012 was as follows:

	GROUP	
	31/12/2012	**31/12/2011**
TOTAL DEBT	52,000,044.03	59,586,696.05
MINUS		
CASH & CASH EQUIVALENTS	-40,477,120.31	-38,146,313.04
FINANCIAL ASSETS AVAILABLE FOR SALE	-12,209,181.12	-6,323,091.92
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS	-362,100.00	-169,400.00
NET DEBT	**-1,048,357.41**	**14,947,891.08**
SHAREHOLDERS’ EQUITY	142,602,924.60	126,525,948.71
TOTAL EMPLOYED CAPITAL	**141,554,567.19**	**141,473,839.79**
LEVERAGE RATIO	**-0.74%**	**10.57%**

4.9.2 Financial Instruments

The Group’s financial instruments mainly consist of bank deposits, bank overdrafts, trade debtors and creditors, investments in securities, other liabilities.

The financial assets and liabilities during the date of the financial statements can be classified as follows:

	Group		Parent	
Non-current assets	**31/12/2012**	**31/12/2011**	**31/12/2012**	**31/12/2011**
Financial assets available for sale	12,209,181.12	6,323,091.92	11,835,597.12	6,087,541.92
Other long-term receivables	429,127.03	327,205.10	211,561.69	184,107.69
Total	**12,638,308.15**	**6,650,297.02**	**12,047,158.81**	**6,271,649.61**
Current assets				
Trade receivables	73,637,440.31	71,684,057.45	34,589,806.10	33,023,694.82
Other receivables	5,008,512.77	6,282,643.79	3,938,010.76	2,824,580.55
Cash & cash equivalents	40,477,120.31	38,146,313.04	9,716,284.38	29,819,289.36
Financial assets at fair value through profit and loss	362,100.00	169,400.00	362,100.00	169,400.00
Total	**119,485,173.39**	**116,282,414.28**	**48,606,201.24**	**65,836,964.73**
Long-term Liabilities				
Loans	21,000,000.00	17,000,000.00	21,000,000.00	17,000,000.00
Provisions and other long-term liabilities	2,404,057.27	2,667,828.32	853,927.14	886,145.83
Total	**23,404,057.27**	**19,667,828.32**	**21,853,927.14**	**17,886,145.83**
Short-term Liabilities				
Suppliers	38,385,602.65	41,940,668.05	19,674,660.99	21,467,173.22
Other liabilities	4,232,668.88	3,520,917.80	10,377,142.24	58,848,853.17
Loans	31,000,044.03	42,586,696.05	31,000,000.00	42,500,000.00
Total	**73,618,315.56**	**88,048,281.89**	**61,051,803.23**	**122,816,026.39**

4.9.3 Definition of fair values

The following table presents the financial assets measured at fair value, according to the measurement method. The different categories are as follows:

- Published market prices (without amendment or adjustment) for financial assets traded on active markets (level 1).
- Valuation techniques based on directly published market prices or calculated indirectly from published market prices for similar instruments (level 2).

• Valuation techniques not based on available information from current transactions in active markets (level 3).

The financial assets measured at fair value during 31 December 2012, are as follows:

	Group			
Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Assets Available for Sale	12,209,181.12	-	-	**12,209,181.12**
Financial Assets at Fair Value through Profit and Loss	362,100.00	-	-	**362,100.00**

	Company			
Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Assets Available for Sale	11,835,597.12	-	-	**11,835,597.12**
Financial Assets at Fair Value through Profit and Loss	362,100.00	-	-	**362,100.00**

The fair value of financial assets traded on active markets (i.e. derivatives, equity, bonds, mutual funds), is defined based on the published prices in effect during the end of the reporting period. A market is considered "Active" when there are available and revised prices in frequent intervals, that are published by a stock exchange, broker, sector, rating agency or regulatory authority. Such financial instruments are included in level 1.

The fair value of financial assets not traded on active markets (i.e. over the counter derivative contracts) is defined using valuation techniques that are based primarily on available information for transactions carried out in active markets, while they use the least possible estimations by the entity. Such financial instruments are included in level 2.

If the valuation techniques are not based on available market information, then the financial instruments are included in level 3.

4.9.4 Foreign exchange risk

The Group operates in an environment characterized by relatively high foreign exchange risk given that almost 65% of the Group's total turnover comes from Eastern European countries where the volatility of foreign exchange rates has recently been high. The Management of the Group is constantly examining the currencies' fluctuations, but at the moment has not taken any measures against the fx risk due to the lack of appropriate hedging tools.

On 31 December 2012, if the euro had depreciated by 5% against the following currencies, with all other variables remaining constant, the effect on the statement of comprehensive income and on the equity of the Group for each currency separately, would be as follows:

Effect	**Results**	**Equity**
PLN	156.994	1,126,365
RON	116,050	636,625
YUD	93,020	635,880

An appreciation by 5% against the relevant currencies, would have an equivalent but opposite effect on the above currencies with the amounts presented above, given that all other variables remain constant.

4.9.5 Interest rate risk

The Group's objective is to achieve an optimal balance between borrowing cost and the potential effect of interest rate changes on earnings and cash flows. The Group monitors and manages its debt and overall financing strategies using a combination of short and long-term debt. It is Group policy to continuously review interest rate trends along with its financing needs. Daily working capital requirements are typically financed with operational cash flow and through the use of various committed lines of credit. The interest rate on these short-term borrowing arrangements, is generally determined as the inter-bank offering rate at the borrowing date plus a pre-set margin. The mix of fixed-rate debt and variable-rate debt is managed within Group policy guidelines. In case of an interest rate increase, the Group will not be affected as regards to next year's results as part of the Group's current strategy is the continuous reduction of its existing bank loans.
An increase of the borrowing rate by 0.5%, taking into account the total debt on 31/12/2012, would result in a reduction of net results and Equity by €0.26 mil.

4.9.6 Credit risk

The Group's trade receivables mainly come from wholesale clients. All Group companies monitor the financial position of their debtors on an ongoing basis and control the granting of credit as well as the credit lines. When considered appropriate, credit guarantee insurance cover is purchased. When there is a possibility that receivables will not be collected, provisions are made for bad debts. On 31 December 2012 and 2011, the maturity of outstanding receivables from customers was as follows:

	GROUP		COMPANY	
	31.12.2012	**31.12.2011**	**31.12.2012**	**31.12.2011**
Less than 3 months	20,618,483.29	20,071,536.09	9,685,145.71	9,246,634.55
Between 3 and 6 months	42,709,715.38	41,576,753.32	20,062,087.54	19,153,743.00
Between 6 months and 1 year	10,309,241.64	10,035,768.04	4,842,572.85	4,623,317.27
Over one year	0.00	0.00	0.00	0.00
	73,637,440.31	**71,684,057.45**	**34,589,806.10**	**33,023,694.82**

4.9.7 Liquidity risk

Prudent liquidity risk management implies the existence of a balance between cash flows as well as funding through adequate amounts of committed credit facilities. The Group closely monitors the amount of short-term and long-term funding as well as the proportion of such towards total debt and the composition of total debt, manages the risk that could arise from the lack of sufficient liquidity and secures that necessary borrowing facilities are maintained. The Group has sufficient credit line facilities that could be utilized to fund any potential shortfall in cash resources.

The Group manages and monitors its working capital in order to minimize any possible liquidity and cash flow risks. The maturity of financial liabilities on 31 December 2012 and 2011 for the company and Group, is analyzed as follows:

			Company		
Maturity of Liabilities 2012	**within 6 months**	**6 to 12 months**	**1 to 5 years**	**over 5 years**	**Total**
Long-term Loans			21,000,000.00		**21,000,000.00**
Short-term Loans	0.00	31,000,000.00			**31,000,000.00**
Suppliers	18,100,688.11	1,573,972.88			**19,674,660.99**
Other Liabilities	10,169,599.40	207,542.84			**10,377,142.24**
	28,270,287.51	**32,781,515.72**	**21,000,000.00**	**0.00**	**82,051,803.23**

			Company		
Maturity of Liabilities 2011	**within 6 months**	**6 to 12 months**	**1 to 5 years**	**over 5 years**	**Total**
Long-term Loans			17,000,000.00		**17,000,000.00**
Short-term Loans	3,000,000.00	39,500,000.00			**42,500,000.00**
Suppliers	19,749,799.36	1,717,373.86			**21,467,173.22**
Other Liabilities	57,671,876.11	1,176,977.06			**58,848,853.17**
	80,421,675.47	**42,394,350.92**	**17,000,000.00**	**0.00**	**139,816,026.39**

			Group		
Maturity of Liabilities 2012	**within 6 months**	**6 to 12 months**	**1 to 5 years**	**over 5 years**	**Total**
Long-term Loans			21,000,000.00		**21,000,000.00**
Short-term Loans	44.03	31,000,000.00			**31,000,044.03**
Suppliers	35,314,754.44	3,070,848.21			**38,385,602.65**
Other Liabilities	3,724,748.61	507,920.27			**4,232,668.88**
	39,039,547.08	**34,578,768.48**	**21,000,000.00**	**0.00**	**94,618,315.56**

			Group		
Maturity of Liabilities 2011	**within 6 months**	**6 to 12 months**	**1 to 5 years**	**over 5 years**	**Total**
Long-term Loans			17,000,000.00		**17,000,000.00**
Short-term Loans	3,086,696.05	39,500,000.00			**42,586,696.05**
Suppliers	38,585,414.61	3,355,253.44			**41,940,668.05**
Other Liabilities	3,098,407.66	422,510.14			**3,520,917.80**
	44,770,518.32	**43,277,763.58**	**17,000,000.00**	**0.00**	**105,048,281.90**

4.9.8 Raw material price risk

The Group is exposed to the volatility of market prices of metals (aluminium), as aluminium is one of the basic raw materials used in its production process. In order to protect itself against adverse aluminium price movements, the Group hedges against fluctuations of the aluminium price over short term periods of time.

4.10 EXPLANATORY NOTES ON THE FINANCIAL STATEMENTS

4.10.1 Segment reporting

For management purposes, the Group is organized in three basic business segments: Mass Market Cosmetics, Household Products and Other Sales. According to IFRS 8 – Operating Segments, the management monitors the operating results of the business segments separately with the objective to evaluate the performance and decision making as regards to the allocation of resources.

The Group's results per segment are analyzed as follows:

For the period 01/01/2012 – 31/12/2012:

COMMERCIAL ACTIVITY SECTORS	Mass Market Cosmetics	Household Products	Other Sales	Income from associate companies	Group Total
INCOME FROM EXTERNAL CUSTOMERS	97,963,038.25	107,325,361.44	30,709,893.68	-	**235,998,293.37**
EARNINGS BEFORE INTEREST & TAX (EBIT)	4,317,807.65	7,657,002.33	1,695,386.88	3,690,199.92	**17,360,396.78**
INTEREST INCOME	249,121.30	272,929.81	78,095.66	-	**600,146.77**
INTEREST EXPENSES	-1,018,493.93	-1,115,831.35	-319,282.06	-	**-2,453,607.34**
EARNINGS BEFORE TAX	3,458,502.74	6,715,573.69	1,426,008.12	3,690,199.92	**15,290,284.47**
INCOME TAX	715,082.14	1,388,516.12	294,842.31	737,567.26	**3,136,007.83**
EARNINGS / LOSSES AFTER TAX	2,743,420.60	5,327,057.57	1,131,165.81	2,952,632.66	**12,154,276.64**
DEPRECIATION/ AMORTIZATION	1,580,090.91	1,731,100.13	495,334.00	-	**3,806,525.05**
EARNINGS BEFORE INTEREST, TAX, DEPRCIATION & AMORTIZATION (EBITDA)	5,897,898.56	9,388,102.46	2,190,720.89	3,690,199.92	**21,166,921.83**

For the period 01/01/2011 – 31/12/2011:

COMMERCIAL ACTIVITY SECTORS	Mass Market Cosmetics	Household Products	Other Sales	Income from associate companies	Group Total
INCOME FROM EXTERNAL CUSTOMERS	98,845,519.51	98,292,396.05	24,155,477.19	-	**221,293,392.75**
EARNINGS BEFORE INTEREST & TAX (EBIT)	4,876,871.58	5,768,234.90	938,863.69	4,184,852.20	**15,768,822.37**
INTEREST INCOME	385,325.48	383,169.26	94,164.32	-	**862,659.07**
INTEREST EXPENSES	-1,270,208.95	-1,263,101.07	-310,408.64	-	**-2,843,718.65**
EARNINGS BEFORE TAX	3,485,178.86	4,384,329.86	598,767.33	4,184,852.20	**12,653,128.25**
INCOME TAX	823,177.78	1,035,551.71	217,995.38	837,390.85	**2,914,115.72**
EARNINGS / LOSSES AFTER TAX	2,662,001.08	3,348,778.15	380,771.95	3,347,461.35	**9,739,012.53**
DEPRECIATION/ AMORTIZATION	1,723,870.58	1,714,224.08	421,272.67	-	**3,859,367.33**
EARNINGS / LOSSES BEFORE INTEREST, TAX, DEPRCIATION & AMORTIZATION (EBITDA)	6,600,742.16	7,482,458.97	1,360,136.37	4,184,852.20	**19,628,189.69**

Notes

- Income from Associate Companies refer to income from the joint venture Estee Lauder JV between the company and Estee Lauder Hellas and is presented in the above table for reconciliation purposes.

- The calculation of financial income & expenses and depreciation, amortization has been proportionate based on the sales of each business activity of the Group. The calculation of income tax is based proportionately on the earnings before tax of each of the Group's business activity.

The allocation of consolidated assets and liabilities to the Group's business segments, is analyzed as follows:

	GROUP		Mass Market Cosmetics		Household Products		Other Sales	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Total Assets	246,671,519.91	240,704,808.37	102,393,501.22	107,516,051.59	112,179,243.56	106,914,409.24	32,098,775.13	26,274,347.53
Total Liabilities	104,068,595.31	114,178,859.66	43,198,938.59	51,000,477.51	47,327,459.22	50,715,087.13	13,542,197.49	12,463,295.02

4.10.2 Goodwill

GOODWILL	Group	Company
Balance 1.1.2012	6,142,060.31	1,365,130.32
Additions / Reductions	-60,891.53	0.00
Balance 31.12.2012	***6,081,168.78***	***1,365,130.32***

ANALYSIS OF GOODWILL

	SARANTIS ROMANIA / ELMIPRODFARM	***TOTAL***
Foreign Exchange Differences	-60,891.53	**-60,891.53**

4.10.3 Inventories

Inventories are analyzed as follows:

INVENTORIES		
A. Parent Company	**31/12/2012**	**31/12/2011**
Merchandise	6,883,301.19	8,715,673.17
Products	6,258,093.65	6,118,929.79
Raw Materials	3,676,483.70	3,941,200.48
	16,817,878.54	**18,775,803.44**
B. Group	**31/12/2012**	**31/12/2011**
Merchandise	23,292,978.90	25,140,187.77
Products	6,531,495.38	6,390,484.76
Raw Materials	5,912,572.29	5,894,978.16
	35,737,046.56	**37,425,650.69**

4.10.4 Trade and other receivables

The Trade Receivables account is analyzed as follows:

TRADE RECEIVABLES		
A. Parent company	**31/12/2012**	**31/12/2011**
Trade receivables	20,500,839.27	22,665,663.98
Minus provisions	701,031.45	856,169.66
Net trade receivables	19,799,807.82	21,809,494.32
Checks and notes receivable	14,789,998.28	11,214,200.50
	34,589,806.10	**33,023,694.82**
B. Group	**31/12/2012**	**31/12/2011**
Trade receivables	58,364,281.54	60,422,010.06
Minus provisions	1,040,347.70	1,523,506.67
Net trade receivables	57,323,933.84	58,898,503.39
Checks and notes receivable	16,313,506.47	12,785,554.06
	73,637,440.31	**71,684,057.45**

Other receivables are analyzed as follows:

OTHER RECEIVABLES		
A. Parent Company	**31/12/2012**	**31/12/2011**
Short-term receivables against related companies	0.00	17,608.22
Doubtful receivables account	282,884.96	254,040.10
Sundry Debtors	3,606,121.62	2,505,299.68
Accounts for management of prepayments & credits	49,004.18	47,632.55
	3,938,010.76	**2,824,580.55**
B. Group	**31/12/2012**	**31/12/2011**
Short-term receivables against related companies	0.00	0.00
Doubtful receivables account	295,110.48	266,265.62
Sundry Debtors	4,664,398.11	5,967,409.62
Accounts for management of prepayments & credits	49,004.18	48,968.55
	5,008,512.77	**6,282,643.79**

4.10.5 Cash & cash equivalents

Cash & cash equivalents represent cash in hand of the Group and company and bank deposits available at first demand, which are analyzed as follows:

CASH & CASH EQUIVALENTS		
A. Parent Company	31/12/2012	31/12/2011
Cash in hand	26,604.45	53,871.02
Bank deposits	9,689,679.93	29,765,418.34
	9,716,284.38	**29,819,289.36**
B. Group	31/12/2012	31/12/2011
Cash in hand	107,899.53	95,109.10
Bank deposits	40,369,220.79	38,051,203.95
	40,477,120.31	**38,146,313.04**

4.10.6 Financial assets at fair value through profit and loss

	Group		Company	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Opening balance	**169,400.00**	**1,931,254.64**	**169,400.00**	**1,931,254.64**
Additions/Sales	91,045.02	-1,963,518.16	91,045.02	-1,963,518.16
Fair value adjustments	101,654.98	201,663.52	101,654.98	201,663.52
Closing balance	**362,100.00**	**169,400.00**	**362,100.00**	**169,400.00**

Such are placements with a short-term investment horizon that are traded on active markets.

4.10.7 Trade and other liabilities

The company's and Group's trade and other liabilities are analyzed as follows:

SUPPLIERS		
A. Parent Company	31/12/2012	31/12/2011
Suppliers	14,833,016.08	16,350,813.52
Checks payable	4,841,644.91	4,587,772.92
Notes payable	0.00	528,586.78
	19,674,660.99	**21,467,173.22**
B. Group	31/12/2012	31/12/2011
Suppliers	33,363,518.83	36,338,637.18
Checks payable	4,841,644.91	4,591,990.41
Notes payable	180,438.91	1,010,040.46
	38,385,602.65	**41,940,668.05**

OTHER LIABILITIES		
A. Parent company	**31/12/2012**	**31/12/2011**
Social Security Funds	763,846.86	740,362.88
Customer Prepayments	4,375,800.46	2,763,002.44
Short-term Liabilities towards Related Companies	4,482,100.00	54,467,234.18
Dividends Payable	4,829.66	28,234.86
Long-term Liabilities payable in the next period	50,248.10	48,676.71
Sundry Creditors	700,317.16	801,342.10
	10,377,142.24	**58,848,853.17**
B. Group	**31/12/2012**	**31/12/2011**
Social Security Funds	1,082,713.33	1,040,817.01
Customer Prepayments	1,632,182.51	830,612.96
Dividends Payable	4,829.66	28,234.86
Long-term Liabilities payable in the next period	630,307.92	320,881.46
Sundry Creditors	882,635.46	1,300,371.50
	4,232,668.88	**3,520,917.80**

4.10.8 Provisions and other long-term liabilities

The provisions and other long-term liabilities are analyzed as follows:

PROVISIONS – OTHER LONG-TERM LIABILITIES		
A. Parent Company	**31/12/2012**	**31/12/2011**
Taxes for tax un-audited fiscal years	611,457.28	593,064.00
Other Long-term Liabilities	242,469.86	293,081.83
	853,927.14	**886,145.83**
B. Group	**31/12/2012**	**31/12/2011**
Taxes for tax un-audited fiscal years	611,457.28	611,457.28
Other Long-term Liabilities	1,792,599.99	2,056,371.04
	2,404,057.27	**2,667,828.32**

4.10.9 Loans

Loans are analyzed as follows:

	Group		**Company**	
Short-term loans	**31/12/2012**	**31/12/2011**	**31/12/2012**	**31/12/2011**
Bank loans	31,000,044.03	42,586,696.05	31,000,000.00	42,500,000.00
Long-term loans				
Bank loans	21,000,000.00	17,000,000.00	21,000,000.00	17,000,000.00
Total	**52,000,044.03**	**59,586,696.05**	**52,000,000.00**	**59,500,000.00**

4.10.9.1 Parent Company

ANALYSIS OF CORPORATE BOND LOANS		
BANK	**MATURITY**	**AMOUNT**
PIRAEUS BANK	31/12/2015	4,000,000
EFG EUROBANK	23/6/2014	17,000,000
TOTAL		**21,000,000**

4.10.9.2 Group

ANALYSIS OF CORPORATE BOND LOANS		
BANK	**MATURITY**	**AMOUNT**
PIRAEUS BANK	31/12/2015	4,000,000
EFG EUROBANK	23/6/2014	17,000,000
TOTAL		**21,000,000**

4.10.10 Income tax

	Group		Company	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Income tax for the period	2,827,058.52	2,337,073.65	0.00	0.00
Deferred tax	308,949.31	577,042.07	349,265.61	270,699.10
Total	**3,136,007.83**	**2,914,115.72**	**349,265.61**	**270,699.10**

The reconciliation between the nominal and real tax rate, is presented in the following table:

	Group		company	
	2012	2011	2012	2011
Profit (Loss) before Tax	**15.290.284,47**	**12.653.128,25**	**-516.971,96**	**20.645.902,94**
Tax rate	20%	20%	20%	20%
Corresponding tax with the established tax rate	3.058.056,89	2.530.625,65	-103.394,39	4.129.180,59
Adjustments:				
Effect from different tax rates in other countries	-625.582,91	-743.616,32	0,00	0,00
Tax that corresponds to tax-exempt income	-609.891,22	-800.073,69	-459.983,27	-160.094,96
Tax that corresponds to non-deductible expenses	568.898,45	974.637,33	302.150,53	535.128,84
Losses of consolidated subsidiaries non-deductible	0,00	0,00	0,00	0,00
Corresponding tax on tax loss	72.430,78	-76.215,12	0,00	0,00
Corresponding tax on tax loss not recognized	310.488,75	863.298,27	310.488,75	863.298,27
Other temporary differences	361.607,08	165.459,60	300.003,99	-5.096.813,64
Effect from change in tax rates	0,00	0,00	0,00	0,00
Provision for income tax	0,00	0,00	0,00	0,00
Windfall tax	0,00	0,00	0,00	0,00
Realized tax expense, net	**3.136.007,83**	**2.914.115,72**	**349.265,61**	**270.699,10**

For fiscal year 2011 and onwards, Greek Societe Anonyme Companies and Limited Liability Companies whose annual financial statements are audited by law from a Legal Auditor or auditing firm, in accordance with the provisions of L. 2190/1920 and L. 3190/1955 respectively, are obliged to receive an “Annual Tax Certificate” as stipulated by par. 5 of article 82 of L.2238/1994, which is issued after a tax audit conducted by the same Legal Auditor or audit firm that audits the annual financial statements. After the tax audit is completed, the Legal Auditor or audit firm issues a “Tax Compliance

Report" for the company and subsequently the Legal Auditor or audit firm submits such electronically to the Ministry of Finance the latest within ten days after the final approval date of the company's financial statements by the General Meeting of Shareholders.

For fiscal year 2012, the tax audit is already underway by the company's legal auditors. The company's Management does not expect significant tax liabilities to arise from the conclusion of the tax audit, apart from those registered and presented in the financial statements.

4.10.11 Deferred taxes

A. Parent Company

DEFERRED TAX ASSETS		
	31/12/2011	31/12/2012
Differences of intangible assets	104,334.39	-118,566.98
Differences of tangible assets	-13,165.74	-28,304.71
Provisions for employee benefits	259,099.60	171,893.00
Recognition of tax loss	803,503.17	503,499.19
Provisions	-7.73	278,133.59
Total	**1,153,763.69**	**806,654.08**

DEFERRED TAXES		
	31/12/2011	31/12/2012
Differences of intangible assets	-222,936.73	-222,901.37
Differences of tangible assets	-3,995.19	-15,138.97
Write-off of trade receivables	0.00	0.00
Provisions for employee benefits	-43,773.80	-89,362.60
Write-off of other receivables	0.00	0.00
Recognition of tax loss	0.00	-300,003.98
Provisions	6.62	278,141.32
Total	**-270,699.10**	**-349,265.61**

B. Group

DEFERRED TAX ASSETS		
	31/12/2011	31/12/2012
Differences of intangible assets	104,334.39	-118,566.98
Differences of tangible assets	72,695.39	50,699.69
Write-off of trade receivables	7,158.09	10,225.84
Provisions for employee benefits	267,588.11	178,342.84
Provisions	265,134.87	781,994.67
Other movements	0.00	0.00
Recognition of tax loss	876,150.33	503,499.19
Foreign exchange differences	11,479.12	9,571.69
Total	**1,604,540.30**	**1,415,766.93**

DEFERRED TAX LIABILITIES		
	31/12/2011	**31/12/2012**
Differences of tangible assets	38,298.09	59,973.11
Differences of intangible assets	82,349.67	166,112.71
Foreign exchange differences	15,182.64	7,524.83
Total	**135,830.40**	**233,610.65**

DEFERRED TAXES		
	31/12/2011	**31/12/2012**
Differences of intangible assets	-292,650.33	-306,664.42
Differences of tangible assets	-48,123.37	-43,670.73
Write-off of trade receivables	3,067.75	3,067.75
Provisions for employee benefits	-42,816.74	-89,245.27
Provisions	-246,373.39	516,859.79
Recognition of tax loss	23,575.96	-372,651.14
Foreign exchange differences	26,278.05	-16,645.30
Total	**-577,042.07**	**-308,949.31**

According to L. 4110/2013, the corporate tax in Greece has increased from 20% to 26% since 1/1/2013. Applying 26% as a tax rate on 31/12/2012, would result in a reduction of the deffered tax of 90,299.67 euros in the parent company and of 72,880.65 euros in the Group.

4.10.12 Employee benefits

Employee salaries and expenses are analyzed as follows:

A. Parent Company	**31/12/2012**	**31/12/2011**
Employee salaries	12,876,902.03	12,147,659.41
Employee benefits	536,570.28	447,079.73
Employer contributions	3,400,866.61	3,163,042.49
Employment termination indemnities	401,859.34	766,077.76
Total	**17,216,198.26**	**16,523,859.39**
Average number of employees	**524**	**460**
B. Group	**31/12/2012**	**31/12/2011**
Employee salaries	22,753,135.18	22,810,318.12
Employee benefits	758,887.49	768,395.27
Employer contributions	5,456,611.86	5,391,683.38
Employment termination indemnities	455,966.06	852,776.82
Total	**29,424,600.59**	**29,823,173.59**
Average number of employees	**1,385**	**1,388**

4.10.13 Expenses per category

Expenses per category are analyzed as follows:

A . Parent company	**31/12/2012**	**31/12/2011**
Cost of sales	57,104,260.25	52,961,641.69
Employee expenses	15,184,968.98	14,174,195.80
Third-party fees	2,683,738.37	1,398,938.13
Third-party benefits	2,902,441.79	2,688,512.04
Taxes – duties	785,988.33	865,383.03
Sundry expenses	18,980,937.57	17,674,812.85
Fixed asset depreciation	1,662,332.87	1,646,497.82
Total	**99,304,668.16**	**91,409,981.36**
B . Group	**31/12/2012**	**31/12/2011**
Cost of sales	123,869,458.43	115,744,235.92
Employee expenses	26,240,865.20	26,324,601.23
Third-party fees	5,535,586.91	4,789,562.77
Third-party benefits	6,914,216.65	6,841,950.69
Taxes – duties	1,165,916.37	1,157,259.31
Sundry expenses	56,700,873.90	53,273,377.04
Fixed asset depreciation	2,972,778.03	2,999,667.51
Total	**223,399,695.49**	**211,130,654.48**

Note: Employee expenses are reduced by the amount of expenses that have been charged to the production of the parent company and Group.

4.10.14 Share capital

SHARE CAPITAL					
	NUMBER OF SHARES	NOMINAL VALUE OF SHARES	SAHRE CAPITAL	SHARE PREMIUM	TOTAL
31.12.2012	34,770,982	1.54	53,547,312.28	39,369,495.98	92,916,808.26
31.12.2011	38,350,940	1.54	59,060,447.60	39,252,195.98	98,312,643.58
31.12.2010	38,350,940	1.54	59,060,447.60	39,252,195.98	98,312,643.58
31.12.2009	38,350,940	1.54	59,060,447.60	39,252,195.98	98,312,643.58
31.12.2008	38,350,940	1.54	59,060,447.60	39,252,195.98	98,312,643.58
31.12.2007	38,146,940	1.50	57,220,410.00	38,750,355.98	95,970,765.98

4.10.15 Treasury shares

Date	Purchases	Average Cost	Value	Percentage of share capital
4th QUARTER 2012	38,540	3.65	140,602	0.11%
Total	**38,540**	**3.65**	**140,602**	**0.11%**

The A' Repeated Extraordinary General Meeting of the Company's shareholders, held on October 09, 2012, decided, inter alia, to decrease the Company's share capital by the amount of 5,905,835.32 euro through the reduction of the company's total number of shares from 38,350,940 to 34,515,982 due to the cancellation of 3,834,958 treasury shares, according to article 16 of C.L.2190/1920.
The aforementioned 3,834,958 shares were acquired by the Company from 25/07/2008 to 05/09/2012, by virtue of the resolution of the Company's General Shareholders' Meeting dated 02/06/2008, as this was updated by the General Shareholders' Meeting of 30/06/2010 and modified by the General Shareholders Meeting of 21/06/2012.
Following the aforementioned share capital reduction, the Company's share capital amounts to 53,154,612.28 euro divided by 34,515,982 common registered shares of nominal value 1.54 each.
Following the above, on November 07, 2012, the trading in the Athens Stock Exchange of 3,834,958 common registered shares ceased and these shares were cancelled.

Moreover, in effect of the article 4, paragraph 2 of the 2273/2003 Regulation of the European Commission, the company GR. Sarantis S.A. (the Company) announces that the A' Repeated Extraordinary General Shareholders' Meeting that took place on 09/10/2012 decided the reduction of the Company's share capital with the cancellation of the total number of treasury shares so far acquired, that is 3,834,958 shares, and the subsequent amendment of the share buyback program that was approved by the General Shareholders Meeting of 21/06/2012, and more specifically the total number of treasury shares that can be bought by the Company through the Athens Exchange. Therefore, following the cancellation of 3,834,958 treasury shares, the maximum number of the shares the Company can buy according to the program is 3,451,598 shares, which corresponds to 10% of the current number of the Company's shares.
The maximum buy back price is set at six euros (6 €) per share and the lowest at fifty cents (0.5 €) per share. The Company may acquire treasury shares up to 24 months from the date of the General Meeting of 21/06/2012, that is up to 21/06/2014 with the aim to improve the Company's earnings and dividend per share, indirectly distribute earnings to the shareholders as well as to use in a possible partnership or a possible future acquisition and according to the 2273/2003 Regulation of the European Commission.

Overall, from the beginning of the share buyback program that was approved by means of a decision by the General Meeting dated 21/06/2012, and until 31/12/2012 the company had acquired 38,540 treasury shares with an average acquisition price of 3.65 euro that correspond to 0.11% of the existing share capital.

4.10.16 Table of changes in fixed assets

4.10.16.1 Parent company

	ACQUISITION COST 31/12/2010	ADDITIONS	TRANSFERS	REDUCTIONS	WRITE-OFFS	FROM ABSORPTION OF SUBSIDIARY	VALUE AS AT 31/12/2011
LAND-FIELDS	7,835,990.24	0.00	0.00	0.00		0.00	7,835,990.24
BUILDINGS, BUILDING FACILITIES AND TECHNICAL PROJECTS	26,594,664.59	208,118.30	0.00	0.00	0.00	378,506.67	27,181,289.56
MACHINERY, TECHNICAL EQUIPMENT & OTHER EQUIPMENT	7,675,393.82	524,071.46	12,600.00	52,129.27	0.00	0.00	8,159,936.01
VEHICLES	1,119,125.67	0.00	0.00	34,614.82	10,708.75	0.00	1,073,802.10
FURNITURE & OTHER EQUIPMENT	8,464,035.19	197,710.85	0.00	2,872.01	158,319.91	1,160.00	8,501,714.12
FIXED ASSETS UNDER CONSTRUCTION AND PREPAYMENTS	80,404.30	8,857.70	-12,600.00	0.00	0.00	0.00	76,662.00
INTANGIBLE ASSETS	6,085,212.72	7,429.33	0.00	0.00	0.00	30,600.00	6,123,242.05
TOTAL	**57,854,826.53**	**946,187.64**	**0.00**	**89,616.10**	**169,028.66**	**410,266.67**	**58,952,636.08**

	DEPRECIATIONS 31/12/2010	DEPRECIATIONS FOR THE PERIOD	FROM ABSORPTION OF SUBSIDIARY	DEPRECIATIONS OF REDUCTIONS	DEPRECIATIONS OF WRITE-OFFS	DEPRECIATIONS 31/12/2011	NET BOOK VALUE 31/12/2011
LAND-FIELDS	0.00	0.00	0.00	0.00	0.00	0.00	7,835,990.24
BUILDINGS, BUILDING FACILITIES AND TECHNICAL PROJECTS	6,648,137.71	985,401.66	44,019.34	0.00	0.00	7,677,558.71	19,503,730.85
MACHINERY, TECHNICAL EQUIPMENT & OTHER EQUIPMENT	5,553,937.30	395,884.66	0.00	52,129.25	0.00	5,897,692.71	2,262,243.30
VEHICLES	845,045.79	54,806.22	0.00	34,614.79	10,708.69	854,528.53	219,273.57
FURNITURE & OTHER EQUIPMENT	6,788,843.45	526,620.46	1,159.98	2,871.99	158,314.87	7,155,437.03	1,346,277.09
FIXED ASSETS UNDER CONSTRUCTION AND PREPAYMENTS	0.00	0.00	0.00	0.00	0.00	0.00	76,662.00
INTANGIBLE ASSETS	510,393.44	298,800.33	23,249.79	0.00	0.00	832,443.56	5,290,798.49
TOTAL	**20,346,357.69**	**2,261,513.33**	**68,429.11**	**89,616.03**	**169,023.56**	**22,417,660.54**	**36,534,975.54**

	ACQUISITION COST 31/12/2011	ADDITIONS	TRANSFERS	REDUCTIONS	WRITE-OFFS	FROM ABSORPTION OF SUBSIDIARY	VALUE AS AT 31/12/2012
LAND-FIELDS	7,835,990.24	0.00	0.00	0.00	0.00	0.00	7,835,990.24
BUILDINGS, BUILDING FACILITIES AND TECHNICAL PROJECTS	27,181,289.56	64,398.39	0.00	0.00	0.00	1,092.50	27,246,780.45
MACHINERY, TECHNICAL EQUIPMENT & OTHER EQUIPMENT	8,159,936.01	427,914.49	36,662.00	175,591.34	22.54	0.00	8,448,898.62
VEHICLES	1,073,802.10	34,291.16	0.00	22,000.00	45,194.42	51,570.11	1,092,468.95
FURNITURE & OTHER EQUIPMENT	8,501,714.12	554,739.65	0.00	5,864.22	8,300.99	37,529.23	9,079,817.79
FIXED ASSETS UNDER CONSTRUCTION AND PREPAYMENTS	76,662.00	35,990.59	-36,662.00	0.00	0.00	0.00	75,990.59
INTANGIBLE ASSETS	6,123,242.05	114,824.00	0.00	4,842.41	0.00	22,173.41	6,255,397.05
TOTAL	**58,952,636.08**	**1,232,158.28**	**0.00**	**208,297.97**	**53,517.95**	**112,365.25**	**60,035,343.69**

	DEPRECIATIONS 31/12/2011	DEPRECIATIONS FOR THE PERIOD	FROM ABSORPTION OF SUBSIDIARY	DEPRECIATIONS OF REDUCTIONS	DEPRECIATIONS OF WRITE-OFFS	DEPRECIATIONS 31/12/2012	NET BOOK VALUE 31/12/2012
LAND-FIELDS	0.00	0.00	0.00	0.00	0.00	0.00	7,835,990.24
BUILDINGS, BUILDING FACILITIES AND TECHNICAL PROJECTS	7,677,558.71	991,307.47	1,092.49	0.00	0.00	8,669,958.67	18,576,821.78
MACHINERY, TECHNICAL EQUIPMENT & OTHER EQUIPMENT	5,897,692.71	432,542.61	0.00	175,591.07	22.53	6,154,621.72	2,294,276.90
VEHICLES	854,528.53	59,314.40	33,032.54	7,425.00	45,194.36	894,256.11	198,212.84
FURNITURE & OTHER EQUIPMENT	7,155,437.03	471,244.01	36,512.68	4,805.53	6,449.24	7,651,938.95	1,427,878.84
FIXED ASSETS UNDER CONSTRUCTION AND PREPAYMENTS	0.00	0.00	0.00	0.00	0.00	0.00	75,990.59
INTANGIBLE ASSETS	832,443.56	317,364.62	10,929.73	0.00	4,798.98	1,155,938.93	5,099,458.12
TOTAL	**22,417,660.54**	**2,271,773.11**	**81,567.44**	**187,821.60**	**56,465.11**	**24,526,714.38**	**35,508,629.31**

4.10.16.2 Group

	ACQUISITION COST 31/12/2010	ADDITIONS	TRANSFERS	REDUCTIONS	WRITE-OFFS	FROM ABSORPTION OF SUBSIDIARY	FOREIGN EXCHANGE DIFFERENCES	VALUE AS AT 31/12/2011
LAND-FIELDS	8,740,936.44	0.00	0.00	0.00	0.00	0.00	41,153.53	8,699,782.91
BUILDINGS, BUILDING FACILITIES AND TECHNICAL PROJECTS	28,974,016.90	347,924.75	0.00	0.00	42,932.60	378,506.67	133,572.58	29,523,943.15
MACHINERY, TECHNICAL EQUIPMENT & OTHER EQUIPMENT	12,120,214.11	740,375.04	62,968.36	170,489.31	71,647.03	0.00	245,402.02	12,436,019.16
VEHICLES	6,037,760.70	435,976.51	0.00	794,077.56	38,473.92	0.00	218,704.07	5,422,481.66
FURNITURE & OTHER EQUIPMENT	9,319,078.46	339,631.92	0.00	18,992.64	164,546.73	1,160.00	58,012.87	9,418,318.14
FIXED ASSETS UNDER CONSTRUCTION AND PREPAYMENTS	193,210.81	79,589.58	-126,182.68	0.00	0.00	0.00	1,565.12	145,052.60
INTANGIBLE ASSETS	13,190,465.00	6,222,395.00	63,214.32	233.43	0.00	30,600.00	501,403.80	19,005,037.09
TOTAL	**78,575,682.43**	**8,165,892.80**	**0.00**	**983,792.94**	**317,600.28**	**410,266.67**	**1,199,813.98**	**84,650,634.70**

	DEPRECIATIONS 31/12/2010	DEPRECIATIONS FOR THE PERIOD	TRANSFERS	DEPRECIATIONS OF REDUCTIONS	DEPRECIATIONS OF REDUCTIONS FROM ABSORPTION OF SUBSIDIARY	FOREIGN EXCHANGE DIFFERENCES	DEPRECIATIONS 31/12/2011	NET BOOK VALUE 31/12/2011
LAND-FIELDS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,699,782.91
BUILDINGS, BUILDING FACILITIES AND TECHNICAL PROJECTS	6,876,639.54	1,064,431.15	0.00	42,932.59	41,742.93	21,129.98	7,918,751.05	21,605,192.10
MACHINERY, TECHNICAL EQUIPMENT & OTHER EQUIPMENT	8,187,832.16	812,417.13	132,671.18	70,647.02	0.00	177,952.03	8,618,979.06	3,817,040.10
VEHICLES	3,591,283.38	738,329.23	638,522.50	32,001.61	0.00	106,895.95	3,552,192.55	1,870,289.10
FURNITURE & OTHER EQUIPMENT	7,294,944.39	605,398.28	14,284.81	164,368.00	1,159.98	30,353.89	7,692,495.94	1,725,822.20
FIXED ASSETS UNDER CONSTRUCTION AND PREPAYMENTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	145,052.60
INTANGIBLE ASSETS	1,620,660.44	638,791.54	233.43	0.00	23,249.79	101,166.10	2,181,302.22	16,823,734.87
TOTAL	**27,571,359.91**	**3,859,367.33**	**785,711.92**	**309,949.22**	**66,152.70**	**437,497.95**	**29,963,720.82**	**54,686,913.88**

	ACQUISITION COST 31/12/2011	ADDITIONS	TRANSFERS	REDUCTIONS	WRITE-OFFS	FOREIGN EXCHANGE DIFFERENCES	VALUE AS AT 31/12/2012
LAND-FIELDS	8,699,782.91	0.00	0.00	44,882.90	0.00	-17,363.26	8,672,263.28
BUILDINGS, BUILDING FACILITIES AND TECHNICAL PROJECTS	29,523,943.15	159,057.55	0.00	0.00	6,998.97	-49,954.38	29,725,956.12
MACHINERY, TECHNICAL EQUIPMENT & OTHER EQUIPMENT	12,436,019.16	792,068.76	76,361.00	245,193.87	42,911.90	-122,725.67	13,139,068.81
VEHICLES	5,422,481.66	512,752.54	0.00	1,903,929.18	45,194.42	-60,785.03	4,046,895.63
FURNITURE & OTHER EQUIPMENT	9,418,318.14	539,320.63	0.00	21,025.55	19,885.48	-27,259.52	9,943,987.26
FIXED ASSETS UNDER CONSTRUCTION AND PREPAYMENTS	145,052.60	289,041.84	-106,182.77	0.00	0.00	375.92	327,535.74
INTANGIBLE ASSETS	19,005,037.09	278,784.98	29,821.77	4,970.51	0.00	-279,723.94	19,588,397.27
TOTAL	**84,650,634.70**	**2,571,026.30**	**0.00**	**2,220,002.01**	**114,990.77**	**-557,435.87**	**85,444,104.11**

	DEPRECIATIONS 31/12/2011	DEPRECIATIONS FOR THE PERIOD	DEPRECIATIONS OF REDUCTIONS	DEPRECIATIONS OF WRITE-OFFS	FOREIGN EXCHANGE DIFFERENCES	DEPRECIATIONS 31/12/2012	NET BOOK VALUE 31/12/2012
LAND-FIELDS	0.00	0.00	0.00	0.00	0.00	0.00	8,672,263.28
BUILDINGS, BUILDING FACILITIES AND TECHNICAL PROJECTS	7,918,751.05	1,080,855.58	0.00	3,011.42	-10,159.71	9,006,754.92	20,719,201.19
MACHINERY, TECHNICAL EQUIPMENT & OTHER EQUIPMENT	8,618,979.06	814,531.81	241,024.07	41,538.11	-95,799.66	9,246,748.35	3,892,320.46
VEHICLES	3,552,192.55	625,602.41	1,634,820.62	45,194.36	-30,608.58	2,528,388.57	1,518,507.07
FURNITURE & OTHER EQUIPMENT	7,692,495.94	542,169.45	19,511.25	18,034.42	-16,368.08	8,213,487.80	1,730,499.46
FIXED ASSETS UNDER CONSTRUCTION AND PREPAYMENTS	0.00	0.00	0.00	0.00	0.00	0.00	327,535.74
INTANGIBLE ASSETS	2,181,302.22	743,365.81	68.32	4,798.98	-63,570.04	2,983,370.78	16,605,026.48
TOTAL	**29,963,720.82**	**3,806,525.05**	**1,895,424.26**	**112,577.29**	**-216,506.06**	**31,978,750.43**	**53,465,353.68**

4.10.17 Number of employees

The number of employees for the group and company is as follows:

	GROUP		COMPANY	
	01/01-31/12/2012	**01/01-31/12/2011**	**01/01-31/12/2012**	**01/01-31/12/2011**
Regular employees (during the presented date)	1,168	1,144	455	381
Day-wage employees (during the presented date)	217	244	69	79
Total Employees	**1,385**	**1,388**	**524**	**460**

4.10.18 Provisions for post-employment employee benefits

The liability for post employment benefits is presented in the Financial Statements according to IAS 19 and is based on an actuarial study that was carried out based on 31 December 2012. The calculations of the study were based on the following actuarial assumptions:

a. Average annual long-term inflation rate: 2%

b. Annual Increase of Wages: 1.3%

c. Discount rate: According to guidance of IAS 19, the discount rate for the calculation of present values, and the investment of reserves must be defined prudently. In our case, this rate was set at 4.0%, in nominal terms.

d. Employee mobility: We assumed that no dismissals will occur and all employees will receive indemnity during their retirement.

e. Retirement ages and condition: According to the statutory provisions of the Main Social Insurance fund of each employee.

f. Indemnities: In application of the legal provisions of Law 2112/20.

g. Assets for the indemnity of Law 2112/20: zero (0)

The expense for the provision for staff retirement indemnities that was recognized in the results, is as follows:

	GROUP		**COMPANY**	
	31/12/2012	***31/12/2011***	***31/12/2012***	***31/12/2011***
Current Employment Service Cost	70,636.50	127,918.00	84,526.00	126,427.00
Financial cost	52,346.42	60,796.18	51,819.92	60,574.68
Actuarial Losses (Profit)	-581,930.42	-400,980.68	-583,158.92	-405,870.68
Total	**-458,947.50**	**-212,266.50**	**-446,813.00**	**-218,869.00**
Further Payments	0.00	0.00	0.00	0.00
Retirement expenses	**-458,947.50**	**-212,266.50**	**-446,813.00**	**-218,869.00**
Balance of Liability at beginning of period	**1,317,181.00**	**1,529,447.50**	**1,295,498.00**	**1,514,367.00**
Retirement expenses	-458,947.50	-212,266.50	-446,813.00	-218,869.00
Closing Balances	**858,233.50**	**1,317,181.00**	**848,685.00**	**1,295,498.00**

4.10.19 Pending Legal cases

There are no pending judicial or under arbitration differences or decisions by courts that may have significant effects on the financial position of the Group's companies.

4.10.20 Events after the reporting period

As of Monday 14/01/13, the two hundred and fifty five thousand (255,000) new common registered shares of the Company, which derived from a share capital increase due to the exercise of stock options of the Company (stock option plan) by 23 officers of the Company and its affiliates, will be subject to negotiation at the Stock Exchange of Athens. The share capital increase was realized through payment in cash, in the amount of three hundred ninety two thousand and seven hundred euro (euro 392,700) at the acquisition price of 2.00 euros in accordance with the decision of the Repeated General Meeting of the Company's shareholders of 18.07.2001 as this was modified by subsequent General Meetings as well as the Company's Board of Directors' decisions dated 30.07.2010 and 30.11.2012. The aforementioned increase, which does not constitute a direct amendment of the Company's Articles of Association, was confirmed by the Company's Board of Directors on 17/12/2012, in implementation of the aforementioned decisions and was filed with the Companies Registry with the respective announcement No.25318

4.10.21 Intra-Group Transactions

Period : 01/01-31/12/2011

SALES / PURCHASES	GR. SARANTIS SA	VENTURES SA	SARANTIS ROMANIA S.A	SARANTIS BULGARIA L.T.D	SARANTIS BELGRADE D.O.O	SARANTIS SKOPJE D.O.O	SARANTIS ANADOL SA	SARANTIS POLSKA S.A	SARANTIS CZECH REPUBLIC sro	SARANTIS HUNGARY Kft.	GR SARANTIS CYPRUS L.T.D	ZETA SA	Grand Total
GR. SARANTIS SA		1,117,337.17	3,212,365.65	1,798,162.40	2,083,346.97	713,655.41	387,659.41	4,318,897.94	1,120,853.71	729,135.16		14,245.00	**15,495,658.82**
ZETAFIN LTD	1,439,503.07												**1,439,503.07**
SARANTIS ROMANIA S.A	1,016,159.04			12,775.70	85,980.68			137,279.69	13,266.77				**1,265,461.89**
GR SARANTIS CYPRUS L.T.D	999,455.01				33,125.00				24,840.28	36,848.28			**1,094,268.57**
SARANTIS SKOPJE D.O.O											8,657.53		**8,657.53**
VENTURES SA	16,293.58												**16,293.58**
SARANTIS BULGARIA L.T.D.	55,392.20		1,940.41						994.96				**58,327.57**
SARANTIS CZECH REPUBLIC sro	37,485.77			7,678.54	1,237.10			813,418.09		4,189.96			**864,009.46**
SARANTIS BELGRADE D.O.O	813.19		147,764.08	47,186.80		609,898.14			7,248.84				**812,911.04**
SARANTIS POLSKA S.A	208,238.25		2,011,917.56	470,350.59	1,588,681.89				688,408.46	214,511.97			**5,182,108.72**
SARANTIS ANADOL SA	995,153.88												**995,153.88**
THRACE-SARANTIS S.A	1,338,336.92												**1,338,336.92**
SARANTIS HUNGARY Kft.					7,056.05			9,013.42	48,207.77				**64,277.24**
WALDECK L.T.D	103.70												**103.70**
SAREAST L.T.D	18,683.63												**18,683.63**
TOTAL	**6,125,618.24**	**1,117,337.17**	**5,373,987.71**	**2,336,154.03**	**3,799,427.69**	**1,323,553.55**	**387,659.41**	**5,278,609.15**	**1,903,820.79**	**984,685.37**	**8,657.53**	**14,245.00**	**28,653,755.63**

Period : 01/01-31/12/2012

SALES / PURCHASES	GR. SARANTIS SA	SARANTIS BANJA LUKA D.O.O	SARANTIS ROMANIA S.A	SARANTIS BULGARIA L.T.D	SARANTIS BELGRADE D.O.O	SARANTIS SKOPJE D.O.O	SARANTIS ANADOL SA	SARANTIS POLSKA S.A	SARANTIS CZECH REPUBLIC sro	SARANTIS HUNGARY Kft.	GR SARANTIS CYPRUS L.T.D	ZETA SA	Grand Total
GR. SARANTIS SA			2,936,775.93	1,923,900.35	1,645,701.95	579,524.87	-76,210.02	4,338,729.95	1,241,095.66	609,259.26		3,000.00	13,201,777.95
ZETAFIN LTD	551,941.25										650,871.48		1,202,812.73
SARANTIS ROMANIA S.A	1,164,188.21			165,998.13	254,100.27			929,907.83	5,405.09	2,053.12			2,521,652.65
GR SARANTIS CYPRUS L.T.D	280,352.25				79,500.00				7,962.50	53,317.13			421,131.88
SARANTIS SKOPJE D.O.O					5,885.37						76,707.95		82,593.32
SARANTIS BULGARIA L.T.D	37,305.02		1,230.37						974.01				39,509.40
SARANTIS CZECH REPUBLIC sro	9,805.87		9,375.38					1,695,039.33		5,278.17			1,719,498.75
SARANTIS BELGRADE D.O.O	300,945.89	435,806.35	126,811.80	62,625.31		507,390.78		283,302.27	23,456.33	4,993.98			1,745,332.71
SARANTIS POLSKA S.A	333,870.94		1,142,279.51	479,446.69	1,644,169.74				733,406.06	155,627.89			4,488,800.82
SARANTIS ANADOL SA	789,973.10												789,973.10
THRACE-SARANTIS S.A	1,299,720.48												1,299,720.48
SARANTIS HUNGARY Kft.	3,853.69		2,171.38					25,339.88	28,073.43				59,438.38
WALDECK L.T.D	622.20												622.20
SAREAST L.T.D	21,433.88												21,433.88
ZETA SA	60,400.00												60,400.00
TOTAL	4,854,412.77	435,806.35	4,218,644.37	2,631,970.48	3,629,357.33	1,086,915.65	-76,210.02	7,272,319.25	2,040,373.08	830,529.55	727,579.43	3,000.00	27,654,698.24

Period : 01/01-31/12/2011

RECEIVABLES / LIABILITIES	GR. SARANTIS SA	VENTURES SA	ZETA COSMETICS LTD	SARANTIS BELGRADE D.O.O	SARANTIS BULGARIA L.T.D	SARANTIS SKOPJE D.O.O	SARANTIS ROMANIA S.A	SARANTIS CZECH REPUBLIC sro	SARANTIS POLSKA S.A	GR SARANTIS CYPRUS L.T.D	SARANTIS HUNGARY Kft.	TOTAL
GR. SARANTIS SA		339,072.20		57,838.25			149,334.44	1,381,766.10	769,174.51		446,516.68	**3,143,702.18**
VENTURES SA	4,132.69											**4,132.69**
ZETA SA	300.00											**300.00**
THRACE-SARANTIS S.A	321,838.73											**321,838.73**
ZETAFIN LTD	31,986,332.22		1,031,858.45									**33,018,190.67**
SARANTIS POLSKA S.A	33,762.44			347,042.75	132,947.44		917,935.21	111,579.77			58,106.09	**1,601,373.70**
SARANTIS CZECH REPUBLIC sro	34,019.79								117,529.00			**151,548.79**
SARANTIS BELGRADE D.O.O	604,953.84				29,961.46	74,279.38	102,054.97	500.95				**811,750.60**
SARANTIS ROMANIA S.A	17,224.14								135,260.84			**152,484.98**
SARANTIS BULGARIA L.T.D	461,746.72							994.96				**462,741.68**
SAREAST L.T.D	468,537.13											**468,537.13**
WALDECK L.T.D	13,703.70											**13,703.70**
GR SARANTIS CYPRUS L.T.D	21,998,801.96			33,125.00				724,840.28			1,036,848.28	**23,793,615.52**
SARANTIS ANADOL SA	117,542.46											**117,542.46**
SARANTIS SKOPJE D.O.O	950,928.57									508,657.53		**1,459,586.10**
ELODE FRANCE S.A.R.L	900.00											**900.00**
SARANTIS HUNGARY Kft.								5,875.89	2,831.66			**8,707.55**
TOTAL	**57,014,724.39**	**339,072.20**	**1,031,858.45**	**438,006.00**	**162,908.90**	**74,279.38**	**1,169,324.62**	**2,225,557.95**	**1,024,796.01**	**508,657.53**	**1,541,471.05**	**65,530,656.48**

Period : 01/01-31/12/2012

RECEIVABLE / LIABILITIES	GR. SARANTIS SA	SARANTIS BANJA LUKA D.O.O.	SARANTIS BELGRADE D.O.O	SARANTIS BULGARIA L.T.D	SARANTIS SKOPJE D.O.O	SARANTIS ROMANIA S.A	SARANTIS CZECH REPUBLIC sro	SARANTIS POLSKA S.A	GR SARANTIS CYPRUS L.T.D	ELODE FRANCE SARL	SARANTIS ANADOL SA	SARANTIS HUNGARY Kft.	TOTAL
GR. SARANTIS SA						144,271.50	1,098,798.84	657,377.09		550.84	1,509,062.51	1,055,875.94	**4,465,936.72**
THRACE-SARANTIS S.A	243,474.73												**243,474.73**
ZETAFIN LTD									35,089,890.05				**35,089,890.05**
SARANTIS POLSKA S.A	14,081.89		393,086.40	219,802.33		546,825.28	148,998.97					25,765.41	**1,348,560.28**
SARANTIS CZECH REPUBLIC sro						8,196.13		111,977.10				3,276.54	**123,449.77**
SARANTIS BELGRADE D.O.O	1,357,993.29	170,217.48		20,473.97	38,187.89	86,215.89	846.53	86,136.46				3,010.50	**1,763,082.01**
SARANTIS ROMANIA S.A	33,850.29		40,195.95	38,895.41			1,058.47	73,588.35					**187,588.47**
SARANTIS BULGARIA L.T.D	1,048,524.84												**1,048,524.84**
SAREAST L.T.D	468,500.00												**468,500.00**
WALDECK L.T.D	13,600.00												**13,600.00**
GR SARANTIS CYPRUS L.T.D	4,000,000.00		79,500.00	2,200,000.00		0.64						40,200.00	**6,319,700.64**
SARANTIS SKOPJE D.O.O	371,403.70								1,705,255.89				**2,076,659.59**
SARANTIS HUNGARY Kft.	0.00						2,321.82	3,192.80					**5,514.62**
TOTAL	**7,551,428.74**	**170,217.48**	**512,782.35**	**2,479,171.71**	**38,187.89**	**785,509.44**	**1,252,024.63**	**932,271.80**	**36,795,145.94**	**550.84**	**1,509,062.51**	**1,128,128.39**	**53,154,481.72**

All transactions (income and expenses) cumulatively from the beginning of the financial year as well as the balances of receivables and liabilities of the company and group at the end of the period that have resulted from their transactions with related parties, as such are defined by IAS 24, are as follows:

TABLE OF DISCLOSURE OF RELATED PARTIES	GROUP	COMPANY
a) Income	0.00	13,201,777.95
b) Expenses	0.00	4,854,412.77
c) Receivables	0.00	4,465,936.72
d) Liabilities	0.00	7,551,428.74
e) Transactions and remuneration of senior executives and management	1,222,347.65	1,222,347.65
f) Receivables from senior executives and management	0.00	0.00
g) Liabilities towards senior executives and management	0.00	0.00

4.10.22 Sector and geographic breakdown tables

4.10.22.1 Breakdown per business activity

Breakdown of Consolidated Sales

SBU Turnover (€ mil)	*12M '12*	*%*	*12M '11*
Cosmetics	**97.96**	**-1.03%**	**98.99**
% of Total	41.51%		44.73%
Own	**70.67**	**0.21%**	**70.52**
% of SBU	72.14%		71.24%
Distributed	**27.29**	**-4.13%**	**28.47**
% of SBU	27.86%		28.76%
Household Products	**107.33**	**9.19%**	**98.29**
% of Total	45.48%		44.42%
Own	**102.99**	**5.13%**	**97.97**
% of SBU	95.96%		99.67%
Distributed	**4.33**	**1244.31%**	**0.32**
% of SBU	4.04%		0.33%
Other Sales	**30.71**	**27.88%**	**24.01**
% of Total	13.01%		10.85%
Health Care Products	**8.77**	**-23.04%**	**11.39**
% of SBU	28.55%		47.43%
Selective	**21.94**	**73.83%**	**12.62**
% of SBU	71.45%		52.57%
Total Turnover	**236.00**	**6.64%**	**221.29**

Consolidated EBIT Breakdown

SBU EBIT (€ mil)		*12M '12*	*%*	*12M' 11*
Cosmetics		**4.32**	**-11.41%**	**4.87**
	Margin	4.41%		4.92%
	% of EBIT	24.87%		30.91%
Own		**3.88**	**-15.27%**	**4.58**
	Margin	5.50%		6.50%
	% of EBIT	22.37%		29.06%
Distributed		**0.43**	**-49.32%**	**0.29**
	Margin	1.59%		1.02%
	% of EBIT	2.50%		1.84%
Household Products		**7.66**	**32.74%**	**5.77**
	Margin	7.13%		5.87%
	% of EBIT	44.11%		36.58%
Own		**7.46**	**29.00%**	**5.78**
	Margin	7.24%		5.90%
	% of EBIT	42.97%		36.67%
Distributed		**0.20**	**1420.00%**	**-0.01**
	Margin	4.55%		-4.63%
	% of EBIT	1.13%		-0.09%
Other Sales		**1.70**	**80.05%**	**0.94**
	Margin	5.52%		3.92%
	% of EBIT	9.77%		5.97%
Health Care Products		**0.10**	**-91.05%**	**1.09**
	Margin	1.11%		9.55%
	% of EBIT	0.56%		6.90%
Selective		**1.60**	**1191.17%**	**-0.15**
	Margin	7.28%		-1.16%
	% of EBIT	9.21%		-0.93%
Income from Estee Lauder JV		**3.69**	**-11.82%**	**4.18**
	% of EBIT	21.26%		26.54%
Total EBIT		**17.36**	**10.09%**	**15.77**
	Margin	**7.36%**		**7.13%**

4.10.22.2 Geographic Breakdown

Breakdown of Consolidated Sales

Country Turnover (€ mil)	*12M '12*	*%*	*12M'11*
Greece	**87.25**	**13.99%**	**76.54**
% of Total Turnover	**36.97%**		**34.59%**
Poland	70.33	3.52%	67.94
Romania	34.37	-2.98%	35.42
Bulgaria	10.52	4.80%	10.04
Serbia	14.40	10.03%	13.09
Czech Republic	7.14	-1.52%	7.25
Hungary	8.45	1.65%	8.31
FYROM	2.65	-1.48%	2.69
Bosnia	0.88		-
Foreign Countries Subtotal	**148.75**	**2.76%**	**144.75**
% of Total Turnover	**63.03%**		**65.41%**
Total Turnover	**236.00**	**6.64%**	**221.29**

Consolidated EBIT Breakdown

Country EBIT (€ mil)	*12M '12*	*%*	*12M '11*
Greece	**10.67**	28.22%	**8.32**
% of Total Ebit	**61.48%**		**52.79%**
Poland	3.23	-13.60%	3.74
Romania	1.60	10.61%	1.45
Bulgaria	0.61	3.19%	0.60
Serbia	1.41	-18.81%	1.74
Czech Republic	-0.08	68.83%	-0.24
Hungary	-0.47	-27.75%	-0.37
FYROM	0.46	-12.20%	0.53
Bosnia	-0.10		0.00
Foreign Countries Subtotal	**6.69**	**-10.17%**	**7.44**
% of Total Ebit	**38.52%**		**47.21%**
Total EBIT	**17.36**	**10.09%**	**15.77**

5. DATA AND INFORMATION

GRIGORIS SARANTIS S.A.

ANONYMOUS INDUSTRIAL & COMMERCIAL COMPANY OF COSMETICS, CLOTHING, HOUSEHOLD & PHARMACEUTICAL PRODUCTS

G.E.M.I. No 255201000 / REGISTRATION No. 13083/06/B/86/27

26 Amarousiou Halandriou Street, 151 25, Marousi, Athens

Data and information for the Period from 1 January 2012 till 31 of December 2012

(according to the Law 2190/20, article 135 concerning companies which compile annual financial statements, either Consolidated or not under IFRS)

The following data, arising from the Company's financial statements, aim at giving general information about the financial condition and results of GR. SARANTIS S.A. and its Group. We therefore recommend to the reader, before any action of investment or any other transaction with the company, to visit the Company's website where all financial statements of the company as well as the Auditors Report - when required- are available.

Supervising authority: MINISTRY OF DEVELOPMENT, DEPT. OF ANONYMOUS COMPANIES & CREDIT

Internet address: www.sarantis.gr

Members of the board of Directors:

1. Gregory Sarantis son of Pantazis, Chairman of the BoD, executive member.
2. Kyriakos Sarantis son of Pantazis, Vice-Chairman of the BoD and Chief Executive Officer, executive member.
3. Aikaterini Saranti daughter of Pantazis, non-executive member.
4. Antonios Ayiostratitis son of Miltiadis, non-executive member.
5. Konstantinos Rozakeas son of Peter, executive member.
6. Konstantinos Stamatiou son of Fokion, executive member.
7. Emmanouil Souriadakis son of Ioannis, independent and non-executive member.
8. Dimitrios Efstathiou son of Konstantinos, independent and non-executive member.

Approval date by the BoD of Financial Statements: 22/03/2013

Auditors: IOANNIS KALOGEROPOULOS - A.M.S.O.E.L. 10741

Auditors Company: BAKER TILLY HELLAS S.A.

Auditors' opinion: Unqualified

STATEMENT OF FINANCIAL POSITION (consolidated and non-consolidated - amounts expressed in Euro)

	THE GROUP		THE COMPANY	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
ASSETS				
Tangible assets for own use	36,860,327.20	37,863,179.00	30,409,171.19	31,244,177.05
Intangible assets	22,686,195.26	22,965,795.18	6,464,588.44	6,655,928.81
Other non current assets	30,922,092.62	25,128,866.74	44,795,125.50	80,802,126.91
Inventories	35,737,046.56	37,425,650.69	16,817,878.54	18,775,803.44
Trade receivables	73,637,440.31	71,684,057.45	34,589,806.10	33,023,694.82
Other current assets	46,828,417.95	45,637,259.31	14,360,748.52	33,132,984.79
TOTAL ASSETS	**246,671,519.91**	**240,704,808.37**	**147,437,318.29**	**203,634,715.82**
EQUITY AND LIABILITIES				
Share capital	53,547,312.28	59,060,447.60	53,547,312.28	59,060,447.60
Other equity items	89,055,612.32	67,465,501.11	9,237,506.92	1,783,453.63
Equity attributable to the equity holders of the company (a)	142,602,924.60	126,525,948.71	62,784,819.20	60,843,901.23
Minority Interest (b)	0.00	0.00	0.00	0.00
TOTAL EQUITY (c) = (a)+(b)	**142,602,924.60**	**126,525,948.71**	**62,784,819.20**	**60,843,901.23**
Long term liabilities from loans	21,000,000.00	17,000,000.00	21,000,000.00	17,000,000.00
Provisions/Other long-term liabilities	3,495,901.42	4,120,839.72	1,702,612.14	2,181,643.83
Short-term borrowings	31,000,044.03	42,586,696.05	31,000,000.00	42,500,000.00
Other short term liabities	48,572,649.86	50,471,323.90	30,949,886.95	81,109,170.76
TOTAL LIABILITIES (d)	**104,068,595.31**	**114,178,859.66**	**84,652,499.09**	**142,790,814.59**
TOTAL EQUITY AND LIABILITIES (c) + (d)	**246,671,519.91**	**240,704,808.37**	**147,437,318.29**	**203,634,715.82**

STATEMENT OF TOTAL COMPREHENSIVE INCOME (consolidated and non-consolidated - amounts expressed in Euro)

	THE GROUP		THE COMPANY	
	01/01-31/12/2012	01/01-31/12/2011	01/01-31/12/2012	01/01-31/12/2011
Turnover	235,998,293.37	221,293,392.75	100,670,274.10	89,282,711.01
Gross profit / (loss)	112,128,834.94	105,549,156.82	43,566,013.85	36,321,069.32
Profit / (loss) before tax, interest and investment results (EBIT)	17,360,396.78	15,768,822.37	2,482,659.02	-581,066.57
Profit / (loss) before tax	15,290,284.47	12,653,128.25	-516,971.96	20,645,902.94
Income tax	-2,827,058.52	-2,337,073.65	0.00	0.00
Deferred tax	-308,949.31	-577,042.07	-349,265.61	-270,699.10
Profit / (loss) after tax	12,154,276.65	9,739,012.53	-866,237.57	20,375,203.84
Profit / (loss) after tax (a)	12,154,276.65	9,739,012.53	-866,237.57	20,375,203.84
Owners of the parent company	12,154,276.65	9,735,874.39	-866,237.57	20,375,203.84
Minority interest	0.00	3,138.14	0.00	0.00
Other comprehensive income after tax (b)	5,344,439.23	-6,664,689.79	4,434,641.22	-3,539,679.88
Total comprehensive income after tax (a) + (b)	17,498,715.88	3,074,322.74	3,568,403.65	16,835,523.96
Owners of the parent company	17,498,715.88	3,071,184.60	0.00	0.00
Minority interest	0.00	3,138.14	0.00	0.00
After tax earnings per share (in Euro)	0.3496	0.2539	-0.0249	0.5313
Proposed dividend per share (Euro)	0.00	0.00	0.00	0.00
Profit / (loss) before tax, financial and investment results and depreciation	21,166,921.83	19,628,189.70	4,754,432.13	1,680,446.76

CASHFLOW STATEMENT (consolidated and non-consolidated - amounts expressed in Euro)

	THE GROUP		THE COMPANY	
	01/01-31/12/2012	01/01-31/12/2011	01/01-31/12/2012	01/01-31/12/2011
CASH FLOWS FROM OPERATING ACTIVITIES				
Profits (Losses) before taxes	15,290,284.47	12,653,128.25	-516,971.96	20,645,902.94
Adjustments for:				
Depreciation of fixed assets	3,806,525.05	3,859,367.33	2,271,773.11	2,261,513.33
Impairment/Reversal of impairment of tangible & Intangible assets	0.00	0.00	0.00	-25,628,505.61
Foreign exchange differences	-162,017.72	622,322.69	-32,034.97	-41,631.50
Income from investment activities	-5,831,326.50	-4,862,233.81	-1,364,547.83	-292,370.50
Interest and other related expenses	2,898,869.60	3,115,551.73	3,141,677.51	4,734,726.97
Plus/minus adjustments for changes in working capital accounts or accounts related to operating activities:				
Decrease / (increase) in inventories	2,152,410.28	-4,794,668.77	1,957,924.90	-2,692,830.36
Decrease / (increase) in receivables	-444,235.43	-2,374,865.04	-1,156,379.81	3,768,842.01
(Decrease) / increase in liabilities (other than to banks)	-3,425,180.37	2,519,983.04	-288,773.05	3,398,616.96
Interest and other related expenses, paid	-2,973,467.59	-3,160,030.63	-3,216,275.60	-4,768,342.18
Tax Paid	-1,720,775.99	-2,120,329.34	-26,663.92	-122,775.41
Net inflows / (outflows) from operating activities (a)	**9,591,085.79**	**5,458,225.45**	**769,728.38**	**1,263,146.65**
CASH FLOWS FROM INVESTMENT ACTIVITIES				
Acquisition/Disposal of subsidiaries, associates, joint ventures and other investments	-857,241.72	-4,203,366.26	38,966,792.46	-4,745,950.37
Acquisition of tangible and intangible assets	-2,571,026.30	-8,165,892.80	-1,232,158.28	-946,187.64
Revenues from sale of tangible and intangible assets	497,357.82	241,737.65	12,795.12	816.30
Interest received	971,216.05	1,147,050.22	415,318.34	811,146.90
Dividends received	4,122,215.78	3,035,446.93	162,215.78	129,363.26
Net inflows / (outflows) from investment activities (b)	**2,162,521.64**	**-7,945,024.26**	**38,324,963.42**	**-4,750,811.55**
CASH FLOWS FROM FINANCIAL ACTIVITIES				
Proceeds from share capital increase	506,073.00	0.00	506,073.00	0.00
Proceeds from loans granted / assumed	14,000,000.00	17,000,150.00	14,000,000.00	17,000,000.00
Loan payments	-21,586,652.02	-22,591,909.23	-71,511,395.09	-18,502,462.37
Payment of liabilities from leasing	-212,007.77	-72,371.10	-49,040.58	0.00
Dividends paid	-23,405.20	-3,728.34	-23,405.20	-3,728.34
(Payment)/Proceeds from (purchase)/sale of own shares	-2,119,928.91	-912,499.32	-2,119,928.91	-912,499.32
Net inflows / (outflows) from financial activities (c)	**-9,435,920.90**	**-6,580,357.99**	**-59,197,696.78**	**-2,418,690.03**
Net increase / decrease in cash and cash equivalents for the period (a)+(b)+(c)	**2,317,686.53**	**-9,067,156.80**	**-20,103,004.98**	**-5,906,354.93**
Cash and cash equivalents, beginning of the period	38,146,313.04	47,159,692.28	29,819,289.36	35,725,644.29
Effect of FX differences on cash	13,120.75	53,777.56	0.00	0.00
Cash and cash equivalents, end of the period	**40,477,120.31**	**38,146,313.04**	**9,716,284.38**	**29,819,289.36**

STATEMENT OF CHANGES IN EQUITY (consolidated and non-consolidated - amounts expressed in Euro)

	THE GROUP		THE COMPANY	
	01/01-31/12/2012	01/01-31/12/2011	01/01-31/12/2012	01/01-31/12/2011
Total equity, beginning of the period (01/01/2012 and 01/01/2011 respectively)	126,525,948.71	124,219,236.51	60,843,901.23	44,655,665.96
Total comprehensive income after tax (a) + (b)	17,498,715.88	3,074,322.74	3,568,403.65	16,835,523.96
	144,024,664.59	**127,293,559.25**	**64,412,304.88**	**61,491,189.92**
Share capital increase	506,073.00	0.00	506,073.00	0.00
Other items	192,115.92	144,888.77	-13,629.77	265,210.63
Purchase of own shares	-2,119,928.91	-912,499.32	-2,119,928.91	-912,499.32
Net equity, end of the period 31/12/2012 and 31/12/2011 respectively	**142,602,924.60**	**126,525,948.71**	**62,784,819.20**	**60,843,901.23**

ADDITIONAL INFORMATION

1. The main accounting principles as of the balance sheet of 31.12.2011 have been applied.

2. Group companies that are included in the consolidated financial statements with their respective locations as well as percentage of ownership are presented in Note 4.6.2 of the financial statements.

3. The unaudited tax years for the group are mentioned in Note 4.6.2 of the financial statements.

4. No fixed charges have been registered on the property of the company.

5. The amounts of income and expenses and outstanding balances of receivables and payables of the Company to and from its related parties (according to the provisions of IAS 24) for the period are as follows:

TABLE OF RELATED PARTIES DISCLOSURES

	THE GROUP	THE COMPANY
a) Income	0.00	13,201,777.95
b) Expenses	0.00	4,854,412.77
c) Receivables	0.00	4,465,936.72
d) Payables	0.00	7,551,428.74
e) Board members and key management personnel remuneration and other benefits	1,222,347.65	1,222,347.65
f) Amounts from board members and key management personnel	0.00	0.00
g) Amounts due to board members and key management personnel	0.00	0.00

6. The average number of the employees in the group and the company is:

	THE GROUP		THE COMPANY	
	01/01-31/12/2012	01/01-31/12/2011	01/01-31/12/2012	01/01-31/12/2011
Salaried employees	1,168	1,144	455	381
Wage employees	217	244	69	79
Total employees	1,385	1,388	524	460

7. Investment in fixed assets made during the period:

	THE GROUP	THE COMPANY
	2,571,026.30	1,232,158.28

8. The other comprehensive income after taxes of the Group and parent Company are analyzed as follows:

	THE GROUP		THE COMPANY	
	01/01-31/12/2012	01/01-31/12/2011	01/01-31/12/2012	01/01-31/12/2011
Financial Assets available for sale	4,554,030.68	-4,026,240.86	4,434,641.22	-3,539,679.88
Foreign exchange differences from conversion to euro	790,408.55	-2,638,448.93	0.00	0.00
Other comprehensive income after tax	**5,344,439.23**	**-6,664,689.79**	**4,434,641.22**	**-3,539,679.88**

9. On 09/10/2012 the A' Repeated Extraordinary General Meeting of the Company's shareholders took place and decided, inter alia, to decrease the Company's share capital by the amount of 5,905,835.32 euro through the reduction of the company's total number of shares from 38,350,940 to 34,515,982 due to the cancellation of 3,834,958 treasury shares. Following the aforementioned share capital reduction, which was realized on 07/11/2012, the Company's share capital amounts to 53,154,612.28 euro divided by 34,515,982 common registered shares of nominal value 1.54 each. Additionally, the company's share capital was increased by 392,700.00 euro through the issuance of 255,000 shares, due to the exercise of stock options by BoD members and Company executives. Therefore the total share capital of the company amounts to 53,547,312.28 eur divided by 34,770,982 shares of 1.54 nominal value each.

10. 10. In effect of the article 4, paragraph 2 of the 2273/2003 Regulation of the European Commission, the A' Repeated Extraordinary General Meeting that took place on 09/10/2012 decided the amendment of the share buyback program that was approved by the General Shareholders Meeting of 21/06/2012. In total, since the beginning of the share buyback program approved by the General Meeting of 21/06/2012, and until 31/12/2012 the compnay has bought 38,540 own shares at an average price of 3.65 euro that correspond to 0,11% of the share capital. More information can be found in the note 4.10.15 of the financial report.

11. The company had no serious litigious cases during the period. Provisions for bad debts for the Company and the Group amount to 701,031.45 and 1,040,347.70 euro respectively.

12. Provisions for unaudited tax years for the Company and the Group amount to 611,457.28 and 611,457.28 respectively.

13. The Parent company GR. SARANTIS SA absorbed the company VENTURES SA (100% subsidiary of the GR. SARANTIS SA) by Decision No. K2-1033 of the Ministry of Development, Competitiveness and Shipping Moreover, the subsidiary company GR. SARANTIS CYPRUS LIMITED absorbed the company ZETA S.A. (100% subsidiary of GR. SARANTIS CYPRUS LIMITED) by K2-8265/12-12-2012 of the Ministry of Development. Detailed information is given in note 4.6.2 of the financial statements.

Marousi, 22/03/2013

THE PRESIDENT OF THE BOARD OF DIRECTORS	THE VICE PRESIDENT & MANAGING DIRECTOR	THE FINANCIAL DIRECTOR & EXECUTIVE MEMBER of BoD	THE DIRECTOR OF THE ACCOUNTING DPT.
GRIGORIS P. SARANTIS	KIRIAKOS P. SARANTIS	KONSTANTINOS P. ROZAKEAS	VASSILIOS D. MEINTANIS
I.D.No. X 080619/03	I.D.No. AI 597050/2010	I.D.No.P 534498/94	I.D.No.AB 656347/06

6. INFORMATION of article 10 Law 3401/2005

Announcements on the website: www.hermes.ase.gr

Wednesday, 19 December 2012
Purchase of own shares

Tuesday, 18 December 2012
Purchase of own shares

Monday, 17 December 2012
Purchase of own shares

Thursday, 13 December 2012
Purchase of own shares

Wednesday, 12 December 2012
Purchase of own shares

Tuesday, 11 December 2012
Offer of company shares to company and group senior executives in the context of implementing its stock option plan – Correct version
Purchase of own shares

Thursday, 6 December 2012
Offer of company shares to company and group senior executives in the context of implementing its stock option plan

Monday, 3 December 2012
Purchase of own shares

Thursday, 29 November 2012
Purchase of own shares
Nine-Month 2012 Consolidated Financial Results – Correct version
Purchase of own shares

Wednesday, 28 November 2012
Announcement of regulated information of L. 3556/07 – Release of Data and Information for the period 1/1/2012 to 30/09/2012
Nine-Month 2012 Consolidated Financial Results

Thursday, 22 November 2012
Purchase of own shares

Wednesday, 21 November 2012
Purchase of own shares

Tuesday, 20 November 2012
Purchase of own shares

Monday, 19 November 2012
Purchase of own shares

Friday, 16 November 2012
Purchase of own shares

Wednesday, 14 November 2012
Purchase of own shares

Tuesday, 13 November 2012
Purchase of own shares

Wednesday, 7 November 2012
Disclosure of reduction of treasury shares below the percentage of 5%
DISCLOSURE OF DECISION FOR THE PURCHASE OF OWN SHARES
Announcement regarding the amount of share capital and number of shareholders

Monday, 5 November 2012
ANNOUNCEMENT FOR CANCELLATION OF TREASURY SHARES

Tuesday, 30 October 2012
Release Date of Nine-Month 2012 Financial Results & Invitation to Conference Call

Tuesday, 9 October 2012
ANNOUNCEMENT FOR DECISIONS OF GENERAL MEETING
Friday, 28 September 2012
ANNOUNCEMENT FOR DECISIONS OF GENERAL MEETING

Monday, 24 September 2012
ANNOUNCEMENT REGARDING AMENDMENTS OF THE COMPANY'S ARTICLES OF ASSOCIATION

Thursday, 6 September 2012
ANNOUNCEMENT FOR INVITATION TO GENERAL MEETING
Purchase of own shares

Tuesday, 4 September 2012
Purchase of own shares
Monday, 3 September 2012
Purchase of own shares

Thursday, 30 August 2012
Purchase of own shares
ANNOUNCEMENT FOR TAX AUDIT RESULTS

Wednesday, 29 August 2012
Announcement of regulated information of L. 3556/2007
ANNOUNCEMENT REGARDING COMMENTARY ON FINANCIAL STATEMENTS / REPORTS

Monday, 27 August 2012
Purchase of own shares

Tuesday, 21 August 2012
Purchase of own shares

Friday, 17 August 2012
Purchase of own shares

Wednesday, 8 August 2012
Purchase of own shares

Friday, 3 August 2012
Purchase of own shares

Monday, 30 July 2012
Release Date of Fist Half 2012 Financial Results & Invitation to Conference Call
Purchase of own shares

Thursday, 26 July 2012
Purchase of own shares

Wednesday, 25 July 2012
Purchase of own shares

Tuesday, 24 July 2012
Purchase of own shares

Monday, 23 July 2012
Purchase of own shares

Friday, 20 July 2012
Purchase of own shares

Thursday, 19 July 2012
Purchase of own shares

Wednesday, 18 July 2012
Purchase of own shares

Tuesday, 17 July 2012
Purchase of own shares

Monday, 16 July 2012
Purchase of own shares

Friday, 13 July 2012
Purchase of own shares

Thursday, 12 July 2012
Purchase of own shares

Wednesday, 11 July 2012
Purchase of own shares

Tuesday, 10 July 2012
Purchase of own shares

Monday, 9 July 2012
Purchase of own shares

Friday, 6 July 2012
Purchase of own shares

Thursday, 5 July 2012
Purchase of own shares

Wednesday, 4 July 2012
Purchase of own shares

Tuesday, 3 July 2012
Purchase of own shares

Monday, 2 July 2012
Purchase of own shares

Friday, 29 June 2012
Purchase of own shares

Thursday, 28 June 2012
Purchase of own shares

Wednesday, 27 June 2012
Purchase of own shares

Tuesday, 26 June 2012
Purchase of own shares

Monday, 25 June 2012
DETALIED VOTING RESULTS OF ANNUAL GENERAL MEETING
Purchase of own shares

Friday, 22 June 2012
ANNOUNCEMENT OF DECISIONS BY ANNUAL GENERAL MEETING
Purchase of own shares

Thursday, 21 June 2012
Purchase of own shares

Wednesday, 20 June 2012
Purchase of own shares

Tuesday, 5 June 2012
DISCLOSURE OF CHANGE IN BOARD OF DIRECTORS' COMPOSITION

Thursday, 31 May 2012
ANNOUNCEMENT FOR INVITATION TO GENERAL MEETING

Wednesday, 30 Μάιος 2012
Announcement of regulated information of L. 3556/07 – Publication of Data & Information for the period 1/1/2012 to 31/03/2012
FIRST QUARTER 2012 CONSOLIDATED FINANCIAL RESULTS

Friday, 25 May 2012
Purchase of own shares

Thursday, 24 May 2012
Purchase of own shares

Tuesday, 22 May 2012
Purchase of own shares
Purchase of own shares

Monday, 21 May 2012
Purchase of own shares (intention to exceed limit)
Purchase of own shares

Friday, 18 May 2012
Purchase of own shares

Thursday, 17 May 2012
Purchase of own shares

Wednesday, 16 May 2012
Purchase of own shares

Tuesday, 15 May 2012
Purchase of own shares

Monday, 14 May 2012
Disclosure of appointment of market-maker
Purchase of own shares (intention to exceed limit)
Purchase of own shares

Friday, 11 May 2012
Purchase of own shares

Thursday, 10 May 2012
Purchase of own shares

Wednesday, 9 May 2012
Purchase of own shares

Tuesday, 8 May 2012
Purchase of own shares

Monday, 7 May 2012
Purchase of own shares (intention to exceed limit)
Purchase of own shares

Friday, 4 May 2012
Purchase of own shares

Thursday, 3 May 2012
Purchase of own shares

Wednesday, 2 May 2012
Purchase of own shares

Monday, 30 April 2012
Purchase of own shares (intention to exceed limit)
Purchase of own shares

Friday, 27 April 2012
Release Date of First Quarter 2012 Financial Results & Invitation to Conference Call
Purchase of own shares

Thursday, 26 April 2012
Purchase of own shares

Wednesday, 25 April 2012
Purchase of own shares

Tuesday, 24 April 2012
Purchase of own shares (intention to exceed limit)
Purchase of own shares

Monday, 23 April 2012
SARANTIS GROUP UNDERTAKES THE DISTRIBUTION OF THE COLOUR CATCHER & KEEP IT WHITE BRANDS
Purchase of own shares

Friday, 20 April 2012
Purchase of own shares

Thursday, 19 April 2012
Purchase of own shares

Wednesday, 18 April 2012
Presentation of Sarantis Group to the Association of Greek Institutional Investors

Tuesday, 17 April 2012
Purchase of own shares
Purchase of own shares (intention to exceed limit)
Purchase of own shares

Thursday, 12 April 2012
Purchase of own shares

Wednesday, 11 April 2012
Purchase of own shares

Friday, 6 April 2012
Purchase of own shares (intention to exceed limit)
Purchase of own shares

Thursday, 5 April 2012
Purchase of own shares

Wednesday, 4 April 2012
Purchase of own shares

Tuesday, 3 April 2012
Purchase of own shares

Monday, 2 April 2012
Purchase of own shares

Friday, 30 March 2012
Purchase of own shares (intention to exceed limit)
Purchase of own shares

Thursday, 29 March 2012
Purchase of own shares

Wednesday, 28 March 2012
Announcement of regulated information of L. 3556_Publication of Data & Information for the period 1.1.2011 to 31.12.2011
ANNOUNCEMENT REGARDING COMMENTARY ON 2011 ANNUAL CONSOLIDATED FINANCIAL RESULTS
Purchase of own shares

Tuesday, 27 March 2012
NEW DATE OF PRESENTATION OF 2011 RESULTS TO THE ASSOCIATION OF GREEK INSTITUTIONAL INVESTORS
Purchase of own shares

Monday, 26 March 2012
Purchase of own shares

Friday, 23 March 2012
Purchase of own shares

Thursday, 22 March 2012
Purchase of own shares

Wednesday, 21 March 2012
Purchase of own shares

Tuesday, 20 March 2012
Purchase of own shares

Monday, 19 March 2012
Purchase of own shares

Friday, 16 March 2012
Purchase of own shares

Thursday, 15 March 2012
Purchase of own shares

Wednesday, 14 March 2012
Purchase of own shares

Tuesday, 13 March 2012
ANNOUNCEMENT OF OTHER SIGNIFICANT EVENTS

Monday, 12 March 2012
Purchase of own shares

Friday, 9 March 2012
Purchase of own shares

Thursday, 8 March 2012
Purchase of own shares

Wednesday, 7 March 2012
Purchase of own shares

Tuesday, 6 March 2012
Purchase of own shares

Monday, 5 March 2012
Purchase of own shares

Friday, 2 March 2012
Sarantis Group 2012 Corporate Calendar
Purchase of own shares

Thursday, 1 March 2012
Purchase of own shares

Wednesday, 29 February 2012
Announcement of approval of subsidiary of the subsidiary “VENTURES S.A.”
Purchase of own shares

Tuesday, 28 February 2012
Purchase of own shares

Friday, 24 February 2012
Purchase of own shares

Thursday, 23 February 2012
ANNOUNCEMENT OF OTHER SIGNIFICANT EVENTS (NOT INCLUDED IN OTHER CATEGORIES)

Wednesday, 22 February 2012
Release Date of 2011 Annual Financial Results & Invitation to Conference Call
Purchase of own shares

Tuesday, 21 February 2012
Purchase of own shares

Monday, 20 February 2012
Purchase of own shares

Friday, 17 February 2012
Purchase of own shares

Thursday, 16 February 2012
Purchase of own shares

Wednesday, 15 February 2012
Purchase of own shares

Tuesday, 14 February 2012
Purchase of own shares

Monday, 13 February 2012
Purchase of own shares

Friday, 10 February 2012
Purchase of own shares

Thursday, 9 February 2012
Purchase of own shares

Wednesday, 8 February 2012
Purchase of own shares

Tuesday, 7 February 2012
Announcement of establishment of subsidiary in Bosnia
Purchase of own shares

Monday, 6 February 2012
Purchase of own shares

Friday, 3 February 2012
ANNOUNCEMENT OF OTHER SIGNIFICANT EVENTS (NOT INCLUDED IN OTHER CATEGORIES)

Thursday, 2 February 2012
Purchase of own shares

Wednesday, 1 February 2012
ANNOUNCEMENT FOR DECISIONS OF GENERAL MEETING
Purchase of own shares

Tuesday, 31 January 2012
Purchase of own shares

Monday, 30 January 2012
Purchase of own shares

Friday, 27 January 2012
Purchase of own shares

Thursday, 26 January 2012
Purchase of own shares

Tuesday, 24 January 2012
Purchase of own shares
Purchase of own shares

Monday, 23 January 2012
Purchase of own shares

Friday, 20 January 2012
ANNOUNCEMENT FOR DECISIONS OF EXTRAORDINARY GENERAL MEETING
Purchase of own shares

Thursday, 19 January 2012
Purchase of own shares

Wednesday, 18 January 2012
Purchase of own shares

Tuesday, 17 January 2012
Purchase of own shares

Monday, 16 January 2012
Purchase of own shares

Friday, 13 January 2012
Purchase of own shares

Thursday, 12 January 2012
Purchase of own shares

Wednesday, 11 January 2012
Purchase of own shares

Tuesday, 10 January 2012
ANNOUNCEMENT OF OTHER SIGNIFICANT EVENTS (NOT INCLUDED IN OTHER CATEGORIES)
Purchase of own shares

Monday, 9 January 2012
Purchase of own shares

Thursday, 5 January 2012
Purchase of own shares

Wednesday, 4 January 2012
Purchase of own shares

Tuesday, 3 January 2012
SARANTIS GROUP UNDERTAKES THE DISTRIBUTION OF LA PRAIRIE IN GREECE
Purchase of own shares

Monday, 2 January 2012
Purchase of own shares

Disclosure of transactions

The disclosures of transactions that are made in the context of a. 13 of Law 3340 and a.6 of resolution 3/347/2005 of the Board of the Hellenic Capital Market Commission as well as the disclosure of significant participations based on Law 3556/2007 can be found at the company's IR site http://ir.sarantis.gr in the section Corporate Governance/Insiders/Insiders' Transactions

7. ONLINE ACCESS TO THE ANNUAL FINANCIAL REPORT

The Annual Financial Statements of the Company and Group, the Audit Report and the Board of Directors Management Report for 2012, have been posted on the Company's website http://ir.sarantis.gr

Marousi, 22 March 2013

THE CHAIRMAN OF THE BOARD	THE VICE-CHAIRMAN	THE FINANCIAL DIRECTOR & BOARD MEMBER	THE HEAD ACCOUNTANT
GRIGORIS SARANTIS	**KYRIAKOS SARANTIS**	**KONSTANTINOS ROZAKEAS**	**VASILIOS D. MEINTANIS**
ID No. X 080619/03	ID No. AI 597050/2010	ID No. P 534498/94	ID No. AB 656347/06