



***THE ITALIAN  
COSMETIC SECTOR***  
**- Industry and Market -**

**January 2006**



**UNIPRO: 550 members (90% turnover)**

**> 100.000 employees**

**Turnover 2004 = 7.414 millions of Euros**



## EVOLUTION OF THE INDUSTRY

(Values in millions of Euros)

	Final Accounts			Forecasts 2005/2004
	2003	2004	%	
Traditional channels	4.751,8	4.871,6	2,5%	+1,5%
Professional channels	567,8	558,5	-1,6%	0,0%
Export	1.822,4	1.983,4	8,8%	+6,5%
<b>Total Turnover in Cosmetic Industry</b>	<b>7.142,0</b>	<b>7.413,5</b>	<b>3,8%</b>	<b>+2,7%</b>



## **DOMESTIC MARKET AND FOREIGN MARKET 2005**

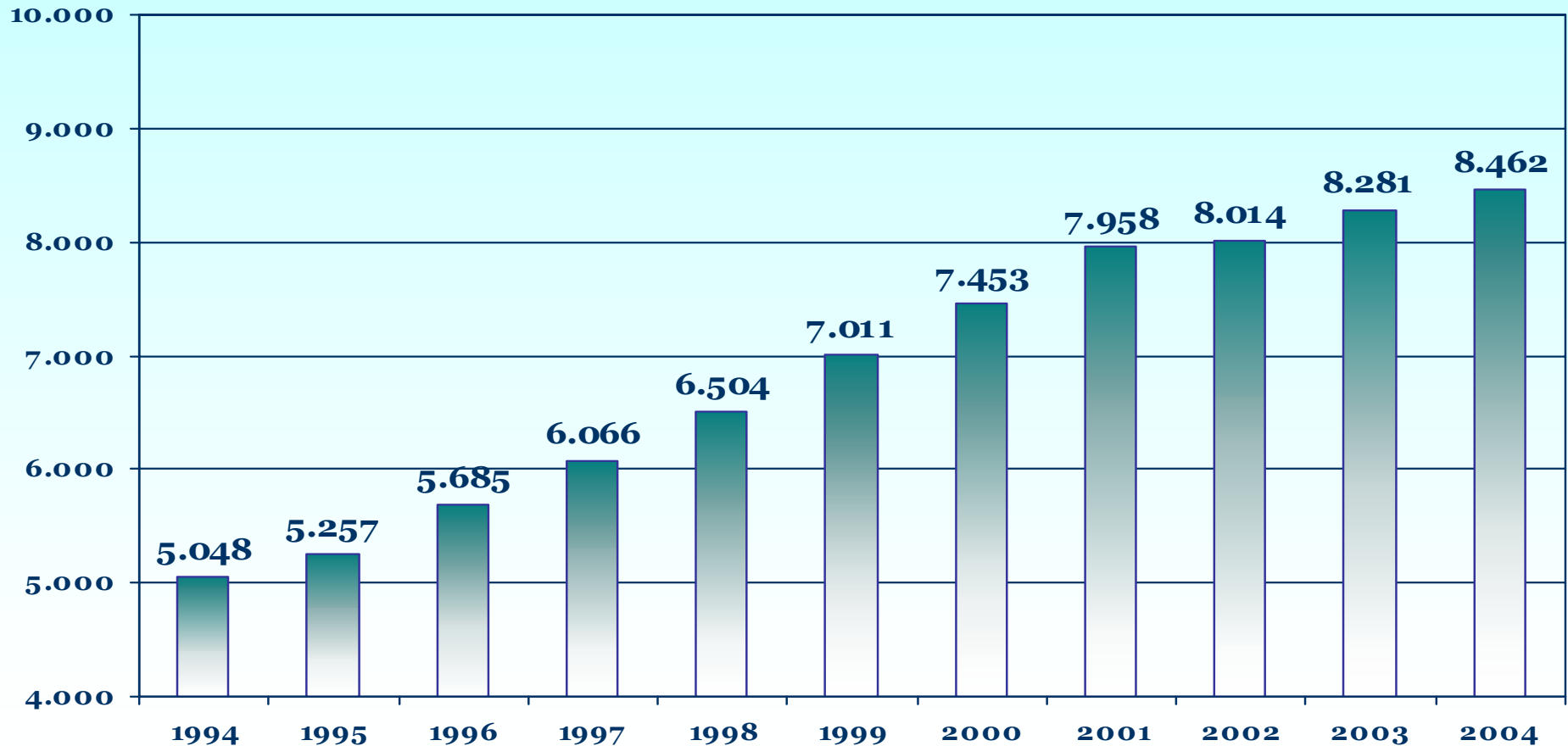
(Percentage changes over previous year)

<b>FORECAST</b>		
<b>2<sup>nd</sup> Quarter 2005/2<sup>nd</sup> Quarter 2004</b>	<b>Italy</b>	<b>+0,5%</b>
	<b>Abroad</b>	<b>+6,5%</b>
<b>1<sup>st</sup> Quarter 2006/1<sup>st</sup> Quarter 2005</b>	<b>Italy</b>	<b>-0,5%</b>
	<b>Abroad</b>	<b>+6,0%</b>



## THE EVOLUTION OF THE ITALIAN COSMETICS MARKET

(Consumption in millions of Euros – Prices to the public – VAT included)







**ITALIAN MARKET:  
RETAIL CONSUMPTION 2004**  
(Millions of Euros)

	<b>TOTAL</b>	<b>% 04/03</b>
<b>Hair products</b>	<b>1.186,91</b>	<b>1,5 %</b>
<b>Face products</b>	<b>1.078,36</b>	<b>4,8 %</b>
<b>Face Make-up preparations</b>	<b>334,93</b>	<b>6,3 %</b>
<b>Eye products</b>	<b>239,14</b>	<b>4,9 %</b>
<b>Lip products</b>	<b>302,13</b>	<b>3,0 %</b>
<b>Hand care products</b>	<b>161,72</b>	<b>3,5 %</b>
<b>Body products</b>	<b>1.161,51</b>	<b>2,3 %</b>
<b>Personal Hygiene products</b>	<b>1.018,64</b>	<b>-1,7 %</b>
<b>Oral Hygiene products</b>	<b>567,18</b>	<b>6,7 %</b>
<b>Babies products</b>	<b>74,50</b>	<b>-0,1 %</b>
<b>Man's preparations</b>	<b>279,01</b>	<b>6,2 %</b>
<b>Alcoholic perfumery</b>	<b>818,69</b>	<b>0,3 %</b>
<b>Gift articles</b>	<b>74,64</b>	<b>2,8 %</b>
<b>TOTAL</b>	<b>7.297,36</b>	<b>2,5 %</b>



# Italy-World Cosmetic Import/Export 2004

(Thousands of Euros)

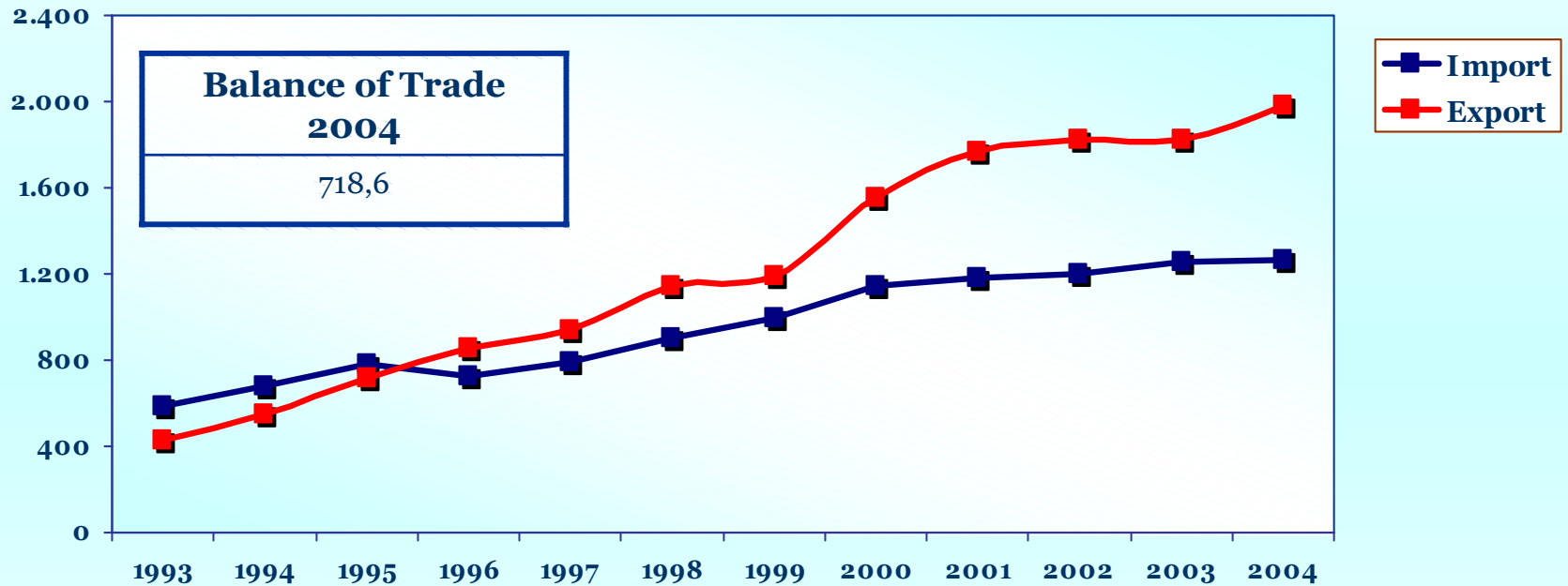
	IMPORT	% 04/03	EXPORT	% 04/03
HAIR PRODUCTS	200.311,10	-5,6%	288.745,10	5,5%
MAKE-UP PRODUCTS	128.169,00	-12,3%	278.947,20	6,1%
BODY PRODUCTS	442.674,20	7,4%	490.557,80	-4,1%
PERSONAL HYGIENE PRODUCTS	67.643,50	-15,4%	169.791,50	-1,2%
ORAL HYGIENE PRODUCTS	84.043,90	4,1%	67.378,50	-1,2%
MAN'S PREPARATIONS	26.926,00	-11,4%	35.223,50	7,7%
ALCOHOLIC PERFUMERY	254.485,00	7,0%	556.086,30	15,2%
OTHER PRODUCTS	60.603,10	7,4%	96.663,70	0,4%
<b>TOTAL</b>	<b>1.264.855,80</b>	<b>0,7%</b>	<b>1.983.393,60</b>	<b>8,8%</b>

Jan-Sep 2005	IMPORT	05/04 %	EXPORT	05/04 %
	979.695,6	+3,4%	1.535.335,0	+6,8%



## Balance of Trade

(Millions of Euros)



	Jan-Dec 2003	Jan-Dec 2004
<b>Import</b>	1.255,6	1.264,8
<b>Export</b>	1.822,4	1.983,4





## COSMETIC IMPORT/EXPORT

ITALY – RUSSIAN FEDERATION



<b>IMPORT</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>% 04/03</b>
<b>Value (Euro/Thousands)</b>	<b>24,4</b>	<b>77,0</b>	<b>66,6</b>	<b>-14,3 %</b>

<b>EXPORT</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>% 04/03</b>
<b>Value (Euro/Thousands)</b>	<b>43.709,6</b>	<b>49.103,6</b>	<b>69.162,7</b>	<b>+40,8 %</b>



## ITALY-RUSSIAN FEDERATION COSMETIC EXPORT January – September 2005

<b>EXPORT</b>  (Euro/Thousands)	<b>Jan-Sep '04</b>	<b>Jan-Sep '05</b>	<b>% 05/04</b>
<b>HAIR PRODUCTS</b>	<b>4.218,9</b>	<b>5.337,3</b>	<b>+26,5%</b>
<b>MAKE-UP PRODUCTS</b>	<b>9.274,8</b>	<b>11.066,2</b>	<b>+19,3%</b>
<b>BODY PRODUCTS</b>	<b>14.931,0</b>	<b>12.115,7</b>	<b>-18,9%</b>
<b>PERSONAL HYGIENE</b>	<b>2.920,8</b>	<b>1.449,6</b>	<b>-50,4%</b>
<b>ORAL HYGIENE PRODUCTS</b>	<b>352,2</b>	<b>1.003,1</b>	<b>+184,8%</b>
<b>MAN'S PREPARATIONS</b>	<b>1.025,1</b>	<b>401,6</b>	<b>-60,8%</b>
<b>ALCOHOLIC PERFUMERY</b>	<b>11.114,1</b>	<b>11.201,5</b>	<b>+0,8%</b>
<b>OTHER PRODUCTS</b>	<b>2.574,5</b>	<b>2.619,2</b>	<b>+1,7%</b>
<b>TOTAL</b>	<b>46.411,5</b>	<b>45.194,3</b>	<b>-2,6%</b>



## EAST EUROPE MARKETS

(Export January-September\_2004/2005)

<b>(EURO/THOUSANDS)</b>	<b>2004</b>	<b>2005</b>	<b>% 05/04</b>
<b>Bulgaria</b>	<b>2.825,4</b>	<b>3.580,6</b>	<b>26,7%</b>
<b>Croatia</b>	<b>9.232,5</b>	<b>9.514,8</b>	<b>3,1%</b>
<b>Czech Republic</b>	<b>8.519,7</b>	<b>7.998,6</b>	<b>-6,1%</b>
<b>Estonia</b>	<b>813,5</b>	<b>995,8</b>	<b>22,4%</b>
<b>Hungary</b>	<b>12.937,6</b>	<b>13.554,5</b>	<b>4,8%</b>
<b>Latvia</b>	<b>2.133,7</b>	<b>1.831,1</b>	<b>-14,2%</b>
<b>Poland</b>	<b>16.458,8</b>	<b>20.615,7</b>	<b>25,3%</b>
<b>Romania</b>	<b>5.971,6</b>	<b>7.199,9</b>	<b>20,6%</b>
<b>Russian Federation</b>	<b>46.411,5</b>	<b>45.194,3</b>	<b>-2,6%</b>
<b>Slovakia</b>	<b>960,0</b>	<b>1.319,2</b>	<b>37,4%</b>
<b>Slovenia</b>	<b>8.419,9</b>	<b>8.489,5</b>	<b>0,8%</b>
<b>Ukraine</b>	<b>6.117,0</b>	<b>8.365,5</b>	<b>36,8%</b>



## EAST EUROPE MARKETS

(Percentage distribution of export/Jan-Sep 2005)

