

No. 288

COMPANY ANNOUNCEMENT

3 March 2016

PANDORA CHANGES FINANCIAL REPORTING STRUCTURE

PANDORA today announces that it will change the financial reporting structure starting with the Company's interim report for Q1 2016. The purpose of the new reporting structure is to offer a more transparent, balanced and relevant financial reporting, reflecting the development in the Company in the years following PANDORA's initial public offering (IPO) in October 2010.

PANDORA's new financial reporting will have a more symmetric structure, centralised around the three already established regions: Americas, EMEA (previously Europe) and Asia Pacific.

The new financial reporting will include:

- Revenue, like-for-like sales-out growth and revenue per store type on regions
- Global like-for-like sales-out growth
- Country specific revenue and like-for-like sales-out growth will not, as historically, be reported on a quarterly basis, however it will be part of reporting, when found necessary to explain the development in the three regions
- Gold, silver and white stores and travel retail will be categorised as multibranded stores and will be reported as one, both in terms of revenue and number of stores
- An updated definition of 3rd party distributors (please refer to appendix for lists of 3rd party distributor countries)
- Silver and gold bracelets and Other bracelets (previously reported as part of Other jewellery) will be reported as one, and consequently Other jewellery will consist of Earrings and Necklaces only
- Costs previously categorised as unallocated costs will be allocated to the three geographical regions
- Average selling price (ASP) and volume development will not be part of the financial reporting.

Please refer to appendix for comparative figures provided for the last 8 quarters based on the new financial reporting structure.

The content of this release will have no impact on PANDORA's outlook for 2016, as latest communicated to the market in connection with the 2015 annual report on 9 February 2016.

CONFERENCE CALL

A conference call for investors and financial analysts will be held today at 10:00 AM CET and can be accessed online at www.pandoragroup.com. The presentation for the call will be available on the website one hour before the call.

The following numbers can be used by investors and analysts:

DK: +45 3271 1660

UK (International): +44 (0) 203 427 0503

US: +1 718 971 5738

To help ensure that the conference begins in a timely manner, please dial in 5 minutes prior to the scheduled starting time. Participants will have to quote confirmation code "PANDORA" when dialling into the conference.

ABOUT PANDORA

PANDORA designs, manufactures and markets hand-finished and contemporary jewellery made from high-quality materials at affordable prices. PANDORA jewellery is sold in more than 100 countries on six continents through approximately 9,300 points of sale, including around 1,800 concept stores.

Founded in 1982 and headquartered in Copenhagen, Denmark, PANDORA employs more than 16,700 people worldwide of whom approximately 11,000 are located in Gemopolis, Thailand, where the company manufactures its jewellery. PANDORA is publicly listed on the NASDAQ Copenhagen stock exchange in Denmark. In 2015, PANDORA's total revenue was DKK 16.7 billion (approximately EUR 2.2 billion).

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APPENDIX

REVENUE

Revenue per sales channel - Group

DKK million	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Concept stores	3,723	2,270	1,952	1,774	2,226	1,370	1,179	1,096
- Hereof PANDORA owned	1,343	799	712	562	669	328	309	261
Shop-in-shops	707	505	564	642	529	417	393	417
- Hereof PANDORA owned	177	122	87	76	96	48	51	43
Branded	4,430	2,775	2,516	2,416	2,755	1,787	1,572	1,513
<i>Branded as % of total</i>	<i>78.0%</i>	<i>71.0%</i>	<i>69.9%</i>	<i>68.1%</i>	<i>69.6%</i>	<i>62.8%</i>	<i>61.8%</i>	<i>58.4%</i>
Multibranded	786	809	713	760	783	667	634	698
Total Direct	5,216	3,584	3,229	3,176	3,538	2,454	2,206	2,211
3rd party	465	327	369	371	423	391	338	381
Total revenue	5,681	3,911	3,598	3,547	3,961	2,845	2,544	2,592

Revenue per sales channel - Americas

DKK million	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Concept stores	1,290	891	864	772	922	610	548	524
- Hereof PANDORA owned	257	140	183	124	170	43	44	22
Shop-in-shops	315	242	380	434	279	220	226	249
- Hereof PANDORA owned	-	-	-	-	-	-	-	-
Branded	1,605	1,133	1,244	1,206	1,201	830	774	773
<i>Branded as % of total</i>	<i>82.0%</i>	<i>79.3%</i>	<i>78.6%</i>	<i>76.9%</i>	<i>78.7%</i>	<i>71.2%</i>	<i>70.6%</i>	<i>66.1%</i>
Multibranded	352	296	334	367	326	335	323	397
Total Direct	1,957	1,429	1,578	1,573	1,527	1,165	1,097	1,170
3rd party	-	-	-	-	-	-	-	-
Total revenue	1,957	1,429	1,578	1,573	1,527	1,165	1,097	1,170

Revenue per sales channel - EMEA

DKK million	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Concept stores	1,773	1,007	789	726	943	588	442	404
- Hereof PANDORA owned	712	399	365	260	324	179	164	134
Shop-in-shops	294	188	147	172	205	175	142	148
- Hereof PANDORA owned	132	74	77	69	96	48	51	43
Branded	2,067	1,195	936	898	1,148	763	584	552
<i>Branded as % of total</i>	<i>74.2%</i>	<i>63.6%</i>	<i>63.8%</i>	<i>63.4%</i>	<i>62.4%</i>	<i>57.2%</i>	<i>54.9%</i>	<i>51.9%</i>
Multibranded	365	470	326	352	395	299	270	268
Total Direct	2,432	1,665	1,262	1,250	1,543	1,062	854	820
3rd party	352	214	206	167	298	273	210	244
Total revenue	2,784	1,879	1,468	1,417	1,841	1,335	1,064	1,064

Revenue per sales channel - Asia Pacific

DKK million	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Concept stores	660	371	300	276	361	170	190	168
- Hereof PANDORA owned	375	260	162	179	175	106	100	106
Shop-in-shops	97	75	37	36	45	23	24	20
- Hereof PANDORA owned	45	48	10	8	-	-	-	-
Branded	757	446	337	312	406	193	214	188
<i>Branded as % of total</i>	<i>80.5%</i>	<i>74.0%</i>	<i>61.1%</i>	<i>56.0%</i>	<i>68.5%</i>	<i>55.9%</i>	<i>55.9%</i>	<i>52.5%</i>
Multibranded	70	44	48	45	62	34	41	34
Total Direct	827	490	385	357	468	227	255	222
3rd party	113	113	167	200	125	118	128	136
Total revenue	940	603	552	557	593	345	383	358

SALES CHANNELS

Store network, number of point of sales - Group

	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Concept stores	1,802	1,666	1,554	1,447	1,410	1,307	1,214	1,137
- Hereof PANDORA owned	474	440	357	292	251	218	175	158
- Hereof 3rd party	491	449	458	352	346	324	293	264
Shop-in-shops	1,674	1,613	1,575	1,548	1,555	1,507	1,443	1,388
- Hereof PANDORA owned	118	117	96	89	70	62	59	58
- Hereof 3rd party	408	374	376	282	288	253	243	232
Branded	3,476	3,279	3,129	2,995	2,965	2,814	2,657	2,525
<i>Branded as % of total</i>	37.5%	34.4%	32.7%	31.1%	29.9%	28.6%	26.4%	25.1%
Multibranded	5,795	6,254	6,433	6,639	6,941	7,027	7,389	7,547
- Hereof 3rd party	1,184	1,244	1,256	993	1,028	1,073	1,073	1,114
Total PoS	9,271	9,533	9,562	9,634	9,906	9,841	10,046	10,072

Store network, number of point of sales – Americas

	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Concept stores	501	466	447	424	414	391	369	349
- Hereof PANDORA owned	79	72	69	59	51	48	20	15
- Hereof 3rd party	-	-	-	-	-	-	-	-
Shop-in-shops	681	670	664	672	683	649	612	585
- Hereof PANDORA owned	2	2	2	2	2	2	2	4
- Hereof 3rd party	-	-	-	-	-	-	-	-
Branded	1,182	1,136	1,111	1,096	1,097	1,040	981	934
<i>Branded as % of total</i>	39.1%	36.4%	34.8%	33.5%	32.5%	31.2%	29.8%	28.7%
Multibranded	1,838	1,988	2,085	2,171	2,283	2,296	2,307	2,316
- Hereof 3rd party	-	-	-	-	-	-	-	-
Total PoS	3,020	3,124	3,196	3,267	3,380	3,336	3,288	3,250

Store network, number of point of sales - EMEA

	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Concept stores	1,033	963	882	811	786	721	663	617
- Hereof PANDORA owned	298	289	250	201	169	143	130	119
- Hereof 3rd party	425	390	369	264	258	241	218	196
Shop-in-shops	791	744	715	681	677	673	651	628
- Hereof PANDORA owned	85	84	82	76	68	62	57	54
- Hereof 3rd party	322	294	280	187	185	161	157	153
Branded	1,824	1,707	1,597	1,492	1,463	1,394	1,314	1,245
<i>Branded as % of total</i>	33.0%	29.8%	28.1%	26.2%	25.0%	23.8%	21.5%	20.1%
Multibranded	3,710	4,015	4,091	4,203	4,388	4,452	4,798	4,945
- Hereof 3rd party	1,184	1,244	1,256	993	1,028	1,073	1,073	1,114
Total PoS	5,534	5,722	5,688	5,695	5,851	5,846	6,112	6,190

Store network, number of point of sales – Asia Pacific

	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Concept stores	268	237	225	212	210	195	182	171
- Hereof PANDORA owned	97	79	38	32	31	27	25	24
- Hereof 3rd party	66	59	89	88	88	83	75	68
Shop-in-shops	202	199	196	195	195	185	180	175
- Hereof PANDORA owned	31	31	12	11	-	-	-	-
- Hereof 3rd party	86	80	96	95	103	92	86	79
Branded	470	436	421	407	405	380	362	346
<i>Branded as % of total</i>	65.6%	63.5%	62.1%	60.6%	60.0%	57.7%	56.0%	54.7%
Multibranded	247	251	257	265	270	279	284	286
- Hereof 3rd party	-	-	-	-	-	-	-	-
Total PoS	717	687	678	672	675	659	646	632

CONCEPT STORES LIKE-FOR-LIKE SALES OUT DEVELOPMENT*

	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Americas	7.3%	5.3%	10.0%	9.1%	6.3%	4.1%	3.6%	10.2%
EMEA	13.5%	15.4%	11.1%	14.8%	14.6%	15.4%	22.3%	37.0%
Asia Pacific	26.4%	24.0%	18.0%	12.3%	20.2%	29.0%	47.6%	64.2%
Group	12.5%	12.8%	12.1%	12.4%	12.4%	13.6%	18.4%	30.4%

*Concept stores that have been operating for more than 12 months.

PRODUCT MIX

	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Charms	3,568	2,428	2,456	2,381	2,656	1,788	1,705	1,784
Bracelets	1,019	575	550	546	690	566	445	445
- Hereof Moments and ESSENCE collection	719	422	360	422	465	388	262	312
Rings	663	616	382	405	355	344	273	220
Other jewellery	431	292	210	215	260	147	121	143
Total revenue	5,681	3,911	3,598	3,547	3,961	2,845	2,544	2,592

EBITDA MARGIN

	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Americas	30.7%	34.8%	38.3%	34.1%	29.3%	32.6%	38.7%	36.9%
EMEA	41.9%	41.4%	31.3%	37.1%	39.1%	38.4%	30.1%	32.8%
Asia Pacific	40.1%	29.9%	44.9%	43.6%	46.9%	36.8%	38.4%	43.9%
Group	37.7%	37.2%	36.4%	36.8%	36.5%	35.9%	35.1%	36.1%

COUNTRIES CATEGORISED AS 3RD PARTY DISTRIBUTOR MARKETS

Albania	Ireland	Philippines
Armenia	Israel	Portugal
Azerbaijan	Jordan	Qatar
Bahrain	Kazakhstan	Russia
Belarus	Kosovo	Saudi Arabia
Belgium	Kuwait	Serbia
Bosnia and Herzegovina	Latvia	Slovenia
Bulgaria	Lebanon	South Africa
Croatia	Lithuania	South Korea
Egypt	Macedonia	Spain
Estonia	Malaysia	Taiwan
Georgia	Malta	Thailand
Greece	Montenegro	Ukraine
Indonesia	Nigeria	Vietnam