Q1 2013/14 conference call | 28. August 2013

Forward looking statements

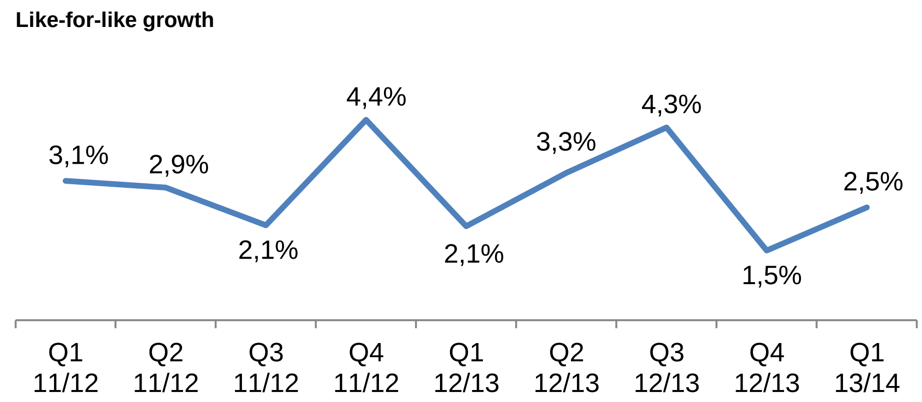
This presentation contains statements relating to the future, including statements regarding Matas A/S' future operating results, financial position, cash flows, business strategy and plans for the future. The statements can be identified by the use of words such as "believes", "expects", "estimates", "projects", "plans", "anticipates", "continues" and "intends" or any variations of such words or other words with similar meaning. The statements are based on management's reasonable expectations and forecasts at the time of the disclosure of the interim report. Any such statements are subject to risks and uncertainties and a number of different factors, of which many are beyond Matas A/S' control, can mean that the actual development and the actual result will differ significantly from the expectations contained in the interim report. Without being exhaustive, such factors include general economics and commercial factors, including market and competitive matters, supplier issues and financial issues.

Matas remained on track in Q1 2013/14

- 3.7% growth in net revenues with like-for-like growth of 2.5% compared to Q1 2012/13
- Increase in gross profit margin to 46.6% up from 45.4% in Q1 2012/13
- Adjusted EBIT realised at DKK 136m (+5%) equal to an Adjusted EBIT margin of 16.9%
- Adjusted profit after tax for the period of DKK 82m (+5%)
- Free cash flow was DKK 3m compared to DKK 90m in Q1 2012/13 due to temporary increase in inventory from the new central warehouse and acquired activities
- NIBD of DKK 1,776m end Q1, corresponding to 2.9 x 12m trailing Adjusted EBITDA
- 2013/14 guidance for sales and Adjusted EBIT margin reiterated
- During Q1 Esthetique Denmark was acquired and during June two of the old Esthetique stores were reopened under the new StyleBox retail concept
- A heads of agreement was entered 31 May 2013 with all the owners of associated stores related to certain amendments to their existing terms of trading
- Matas was listed on OMX Copenhagen on 28th June 2013

Sales development in Matas in Q1 2013/14

- Revenues in own retail stores increased 4.9% with like-for-like growth of 2.5%
  - Positive development in sales density and sale per transaction
  - Slight positive calendar effect
  - Continued high growth in online sales
- Sales in Beauty increased by 4.6% with approx. 1%-point stemming from acquisitions
- Satisfactory development in mass beauty sales despite lower sales of sun care products
- Slight drop in high-end beauty sales primarily due to timing of campaigns
- Growth in the Material and Vital is broad based across product categories
- Wholesale sales to associated stores down 11% mainly due to the acquisition of stores



DKK million	Q1 13/14	Q1 12/13	Growth
Beauty	552	528	5%
Vital	76	72	6%
Material	68	65	6%
MediCare	45	44	3%
Other including Sweden	7	5	39%
Total revenue from own retail stores	**749**	**713**	**5%**
Sales of goods to associated stores	54	61	-11%
Total revenue	**803**	**775**	**4%**

Income statement – Q1 2013/14

DKK million	Q1 13/14	Q1 12/13	Growth
Revenue	**803**	**775**	**4%**
Gross profit	**374**	**352**	**6%**
Gross margin	46.6%	45.4%	
Other external costs	-91	-68	34%
- of which IPO related costs	-18	0	
- of which other non-recurring costs	0	-4	
Staff costs	-161	-145	11%
- of which IPO bonuses	-10	0	
EBITDA	**122**	**140**	**-12%**
Amortisation, depreciation and impairment losses	-34	-33	3%
EBIT	**89**	**107**	**-17%**
Net financials	-34	-22	51%
Profit before tax	**55**	**84**	**-35%**
Tax on profit for the period	-12	-25	-51%
Profit for the period	**43**	**60**	**-29%**
Earnings per share, DKK	**1,04**	**1,47**	
Adjusted EBITDA	**150**	**144**	**5%**
Adjusted EBIT	**136**	**130**	**5%**
Adjusted profit after tax	**82**	**78**	**5%**

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Balance sheet and cash flow

- 19% increase in inventories y/y primarily due to new central warehouse and acquired activities
- Ambition to reduce inventories over the coming quarters

- Free cash flow dropped DKK 87m due to the higher inventories
- Esthetique acquired for DKK 11m

DKK million	30.06.13	30.06.12	31.03.13
Goodwill	3,586	3,558	3,580
Trademarks and other intangible assets	660	724	666
Total intangible assets	**4,246**	**4,282**	**4,246**
Property, plant and equipment	201	205	199
Other non-current assets	51	45	48
Total non-current assets	**4,498**	**4,532**	**4,494**
Inventories	683	575	602
Receivables and other	126	104	138
Cash at bank and in hand	211	395	537
Total current assets	**1,021**	**1,073**	**1,277**
Total assets	**5,518**	**5,605**	**5,770**
Equity	**2,387**	**2,156**	**2,359**
Non-current liabilities	353	2,536	2,415
Current liabilities	2,778	913	996
Total liabilities	**3,131**	**3,449**	**3,411**
Total equity and liabilities	**5,518**	**5,605**	**5,770**

DKK million	Q1 13/14	Q1 12/13
Operating cash flow before chg. in net working capital (1)	**107**	**117**
Changes in net working capital (2)	-77	-15
Cash flow from operating activities	**30**	**102**
Acquisition of PPE and other assets	-16	-12
Acquisition of subsidiaries and activities	-11	0
Free cash flow	**3**	**90**
Cash flow from financing activities	-329	-87
Net cash flow	-325	3

Note: 1) Operating cash flow before changes in net working capital is negatively impacted by DKK 28m in IPO related costs which have no cash effect in Q1. 2) The increase in the provision for the DKK 28m in IPO related costs is included in the changes in net working capital

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Update on strategic priorities for 2013/14

- Continued positive development in Club Matas
  - Further investments in unlocking the full commercial potential of the member base
- Expansion and consolidation of the Matas network
  - One store opening and one associated store acquired in the quarter
  - A heads of agreement entered with all owners of associated stores relating to certain amendments to their existing terms and the potential acquisition of up to six associated stores
- Continue strong development in online with expanding offering. Sales up 70% sales y/y
- Roll-out of the StyleBox concept
  - The two first StyleBox stores opened in June. Two-three more openings are planned for the autumn with the first store opening early September
- Potential expansion into the pharmacy market still dependent on legislation changes

Outlook for 2013/14 , Capital Structure and Dividend Policy

FY2013/14 Outlook	■ Revenue growth is expected to be **slightly higher** than the growth in the last financial year ■ Adjusted EBIT margin **expected to be in line with or slightly above** margin in the last financial year ■ Above excludes impact of i) StyleBox(1) ii) any potential acquisition of Associated Stores, iii) IPO costs
StyleBox	■ Total investment of up to approx. DKK 25m in FY13/14 ■ Within that is included DKK 14m related to capital expenditure, working capital and inventory building ■ Net negative impact on Adjusted EBIT of approx. **DKK 7-10m** due to start-up costs in FY13/14 ■ Up to 7 of 9 acquired stores expected to be rebranded and reopened under "StyleBox" during FY13/14
Capital Structure	■ Targeted leverage ratio of ~2x Net Debt / EBITDA in the near-to-medium term
Dividend Policy	■ At least 60% of Adjusted Profit After Tax(2), to be distributed through dividends or share buybacks ■ Further excess capital is intended to be distributed once target leverage ratio reached

1. Net impact of the launch and roll-out of StyleBox and related Esthetique acquisition costs
2. Adjusted Profit After Tax is IFRS profit for the year plus the tax-adjusted impact of amortisation of intangibles and impairment losses and Offering-related costs in FY2013/14

Q&A

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