



matas

“Good advice makes the difference”

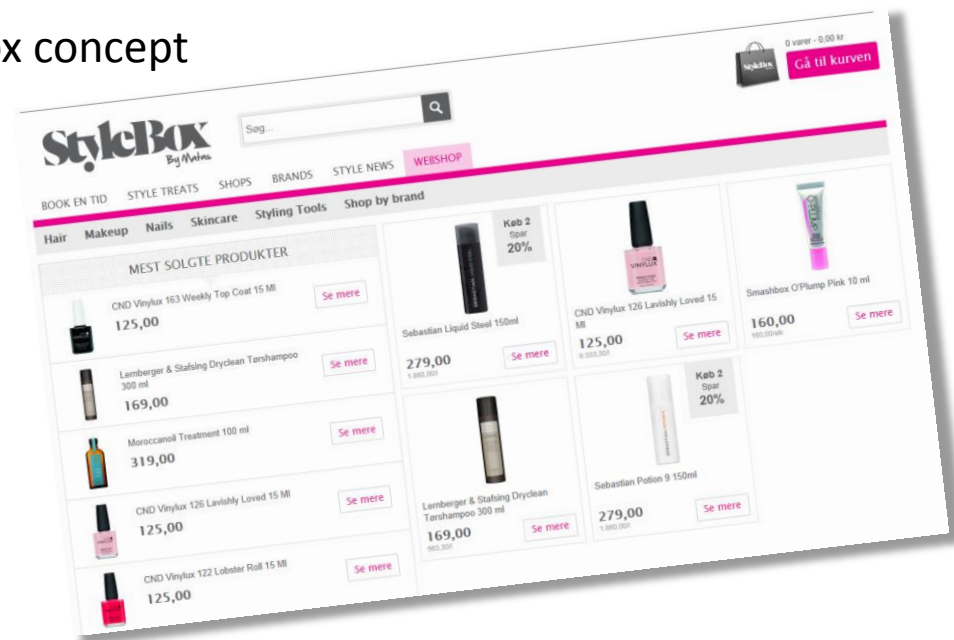
Matas MediCare 

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.

Business update

- Strong execution and the loyalty programme led to improved market shares in Q3
- Club Matas achieved 1.4m members in January 2014
- High activity around the further development of the loyalty programme
- Integration of the 6 acquired associated stores 1 November 2013 is on track
- Negotiations with a small group of associated stores to acquire stores before end of March 2014
- Online presence further strengthened with the launch of the StyleBox webshop
- Ongoing adjustments to the Stylebox concept



Financial highlights Q3 2013/14

- Strong like-for-like growth of 5.5% in Q3 2013/14
- Slight decline in Adj. EBIT margin due to a 1%-point negative effect from Club Matas revaluation
- Cash generated from operations of DKK 273m due to a positive impact from net working capital
- Total paid taxes of DKK 218m and acquired activities reduced free cash flow to DKK -47m
- NIBD of DKK 1,766m 31 December, corresponding to 2.8x 12m trailing Adjusted EBITDA
- Guidance of around 4% underlying sales growth and a 17.1% Adjusted EBIT margin (ex. StyleBox and acquired activities)

Strong like-for-like growth

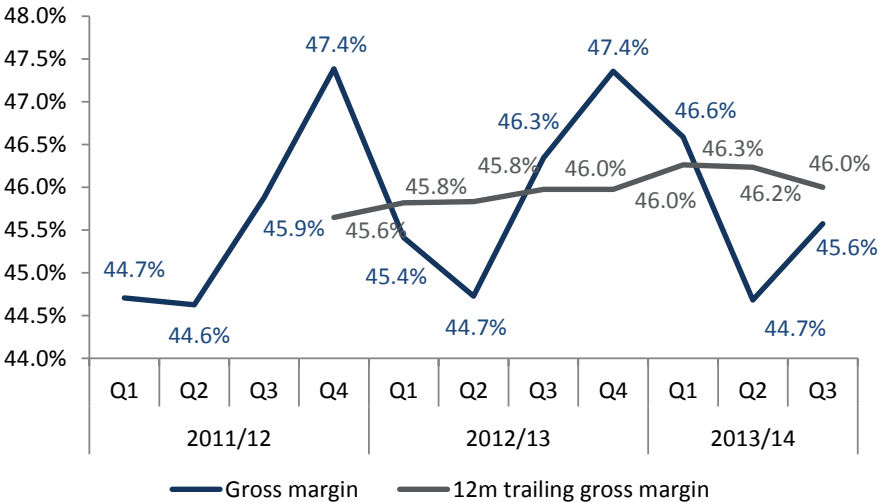
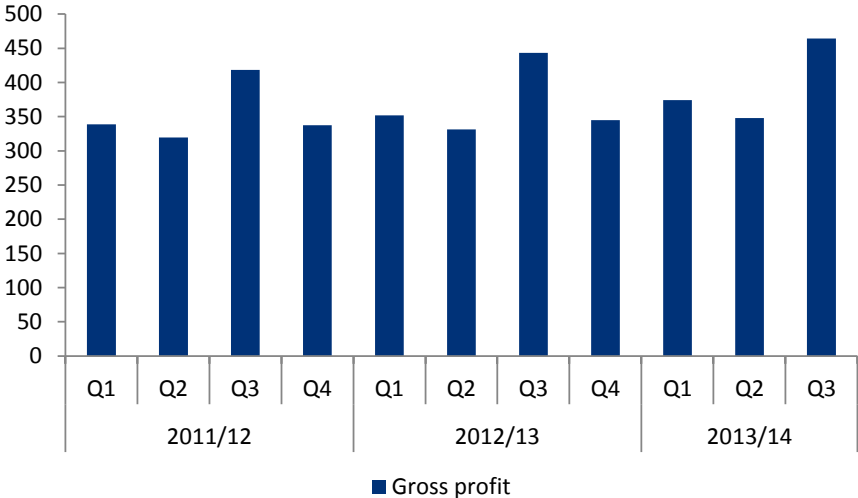
- Total revenue growth of 6.5% driven by the 5.5% LFL growth
- A revaluation of capitalized Club Matas point reduced group revenue growth by approx. 1%-p
- Increase in revenue in own retail of 10% with like-for-like growth of 5.5%
- Online sales up 40% y/y in Q3
- Broad based organic growth in Beauty of 5.5%
- Positive development in Vital with 9% organic growth
- Stock outs related to production problems at a main supplier led to 5% lower organic sales in Medicare
- Underlying sales growth to associated stores of approx. 3%



DKK million	2013/14 Q3	2012/13 Q3	Growth
Beauty	766	695	10%
Vital	85	76	12%
Material	76	69	10%
MediCare	42	44	-5%
Other including Sweden	8	6	31%
Total revenue from own retail stores	977	890	10%
Sales of goods to associated stores	41	66	-38%
Total revenue	1018	956	7%

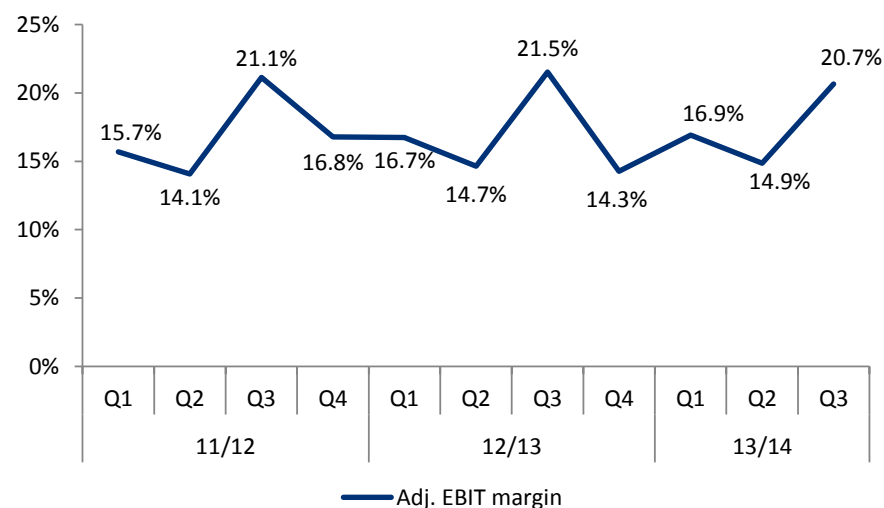
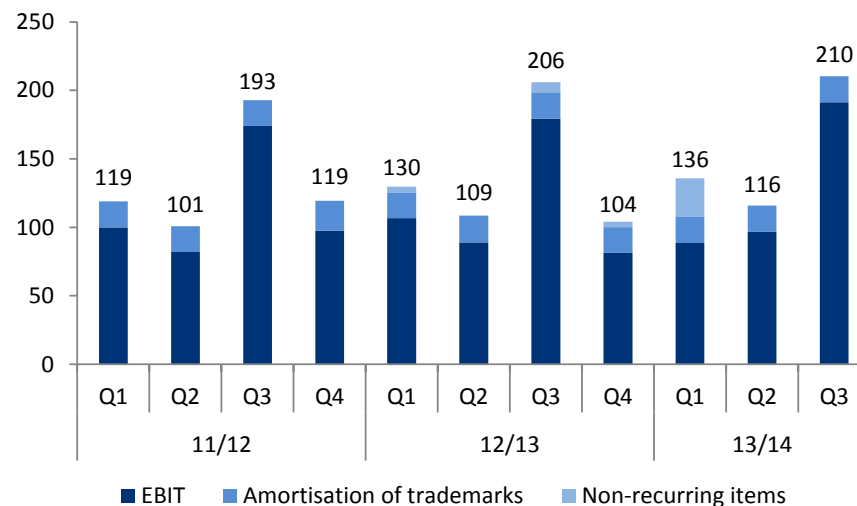
Gross Margin Hit by Revaluation of Club Matas Points

- 5% increase in gross profit driven by sales growth
- Q3 gross margin declined 0.7%-point to 45.6%
- Negative impact of approx. 0.6%-point from revaluation of Club Matas points
- Flat 12m trailing gross margin adjusted for the revaluation of Club Matas points



Adjusted EBIT Margin Slightly Down

- Adjusted EBIT margin down 0.8%-point related to revaluation of Club Matas points
- Other external costs fell to 7.8% of sales in Q3 compared to 8.4% last year on a comparable basis due to lower marketing costs
- Staff cost increased to 15.7% of sales compared to 15.1% last year due to primarily new activities

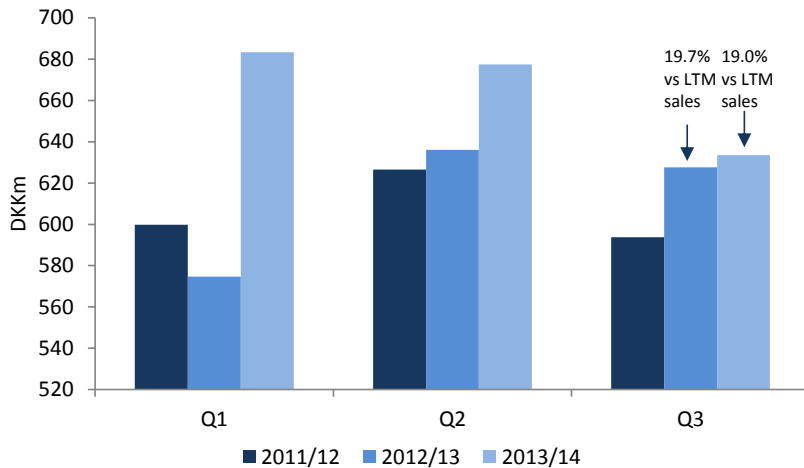


Income Statement – Q3 2013/14

DKK million	2013/14 Q3	2012/13 Q3	Growth
Revenue	1,018	956	7%
Gross profit	464	443	5%
Gross margin	45.6%	46.3%	
Other external costs	-80	-87	-8%
- of which non-recurring costs	0	-8	-
Staff costs	-159	-144	10%
EBITDA	225	212	6%
Amortisation and depreciation	-34	-33	4%
Operating profit	191	179	7%
Net financials	-16	-20	-18%
Profit before tax	175	159	10%
Tax on profit for the period	-39	-47	-16%
Profit for the period	136	113	20%
Earnings per share, DKK	3.3	2.8	21%
Adjusted EBITDA	225	220	2%
Adjusted EBIT	210	206	2%
Adjusted profit after tax	150	135	12%

Continued improvement in inventories

- Fall in inventories due to seasonality and initiatives
- Inventories in percentage of last twelve months sales reduced to 19.0% from 19.7% in Q3 12/13
- Inventory optimization will continue in the coming quarters
- Payables fell as normal in Q3 and was more than offset by higher Other payables related to VAT and prepayments



	2013/14 Q1	2013/14 Q2	2013/14 Q3	2013/14 9M
Change in inventories	-68.3	6.0	43.9	-18.4
Change in receivables	-3.7	7.9	-44.7	-40.5
Change in trade and other payables	-4.8	-48.3	47.1	-6.0
- trade payables	-0.6	-23.7	-100.4	-124.7
- other payables	-4.2	-24.6	147.5	118.7
Total change in net working capital	-76.8	-34.4	46.3	-64.9

Cash flow development

- Cash from operations increased to DKK 273m compared to DKK 209m in Q3 2012/13
- Paid taxes and acquired activities reduced cash flow significantly in Q3 2013/14
- Free cash flow was DKK -47m compared to DKK 34m last year
- Taxes paid in on the transactions cost dispute of DKK 31m in Q4

Cash flow statement (DKK million)	2013/14 9M	2013/14 Q3	2013/14 Q2	2013/14 Q1		2012/13 9M	2012/13 Q3	2012/13 Q2	2012/13 Q1
Cash generated from operations	415	273	96	46		433	209	99	124
Paid interest and taxes	-256	-229	-12	-15		-193	-145	-25	-22
Cash flow from operating activities	159	44	85	30		240	64	74	102
Acquisition of property, plant and equipment etc.	-48	-18	-14	-16		-38	-11	-15	-12
Acquisition of subsidiaries and activities	-83	-72	0	-11		-22	-20	-3	0
Free cash flow	28	-47	71	3		180	34	56	90
Cash flow from financing activities	-263	106	-40	-329		-177	-90	0	-87
Net cash flow from operating , inv. and fin. activities	-235	59	31	-325		3	-56	56	3

Updated 2013/14 guidance

	Updated guidance 2013/14	Previous guidance 2013/14	2012/13
Revenue			
Revenue growth excluding the consolidation of StyleBox/Esthetique and acquired associated stores	Around 4%	Slightly higher than growth in last financial year	3.3%
Reported revenue, DKKm	3,350 - 3,375	-	3,200
Earnings			
Adjusted EBIT margin before consolidation of StyleBox / Esthetique and acquired associated stores	Around 17.1%	In line with or slightly above the margin in the financial year	17.1%
StyleBox - Net negative impact on Adjusted EBIT due to start-up costs from StyleBox and consolidation of Esthetique, DKKm	10 - 14	7 - 10	-
Adjusted EBIT (operating profit plus amortisation of intangibles assets plus IPO costs), DKKm	540 - 560	-	548