



matas



Matas | Q4 2014/15 results

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 quarter as comparisons eased
- Overall market is still challenging but we managed to maintain our market shares
- Continued progress on the Club Matas initiatives
- Our online business continued to show high growth rates
- Good quarter in StyleBox but still growing from a low base
- Opening for shop-in-shop pharmacies and less competition in some product areas

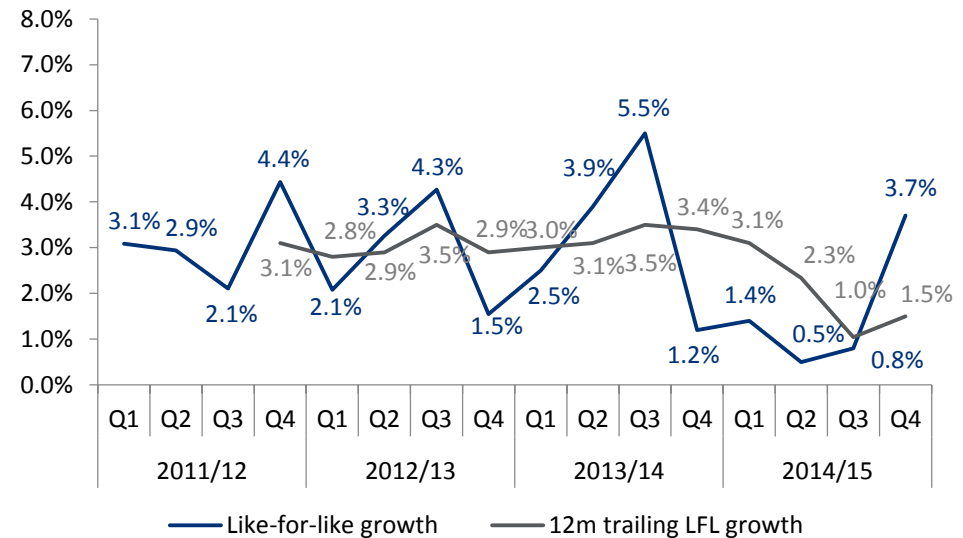
Financial Highlights Q4 2014/15

- Total revenue growth of 3.8% in Q4 with like-for-like growth of 3.7%
- Lower operating costs led to a EBITA margin increase 80bp to 15.4% from 14.6% in Q4 2013/14
- Adjusted net profit 26% higher
- Cash flow from operations of DKK 111m in Q4 compared to DKK 259m in the same period the year before
- Free cash flow of DKK 55m after total investments of DKK 12m
- Gross debt of DKK 1,606m corresponding to a net debt of 2.4x LTM EBITDA
- The DKK 100m share buy-back was completed 20 May 2015

3.7% Like-for-Like Growth in Q4 2014/15

- Total revenue growth of 3.7% in Q4 exceeded expectations
- 5.3% increase in revenue from own retail with like-for-like growth of 3.7%
- Beauty sales began to show higher growth, but the growth rate has still not fully recovered
- Strong and a broad based improvement in the Vital business
- Online sales continued the high growth

DKK million	2014/15 Q4	2013/14 Q4	Growth	Organic growth
Beauty	532	514	3,6%	2%
Vital	98	85	14,4%	12%
Material	62	57	8,0%	6%
MediCare	46	44	4,3%	2%
Other including Sweden	12	11	5,4%	4%
Total revenue from own retail stores	749	711	5,3%	
Sales of goods to associated stores etc.	23	33	-29,0%	-
Total revenue	772	744	3,8%	-

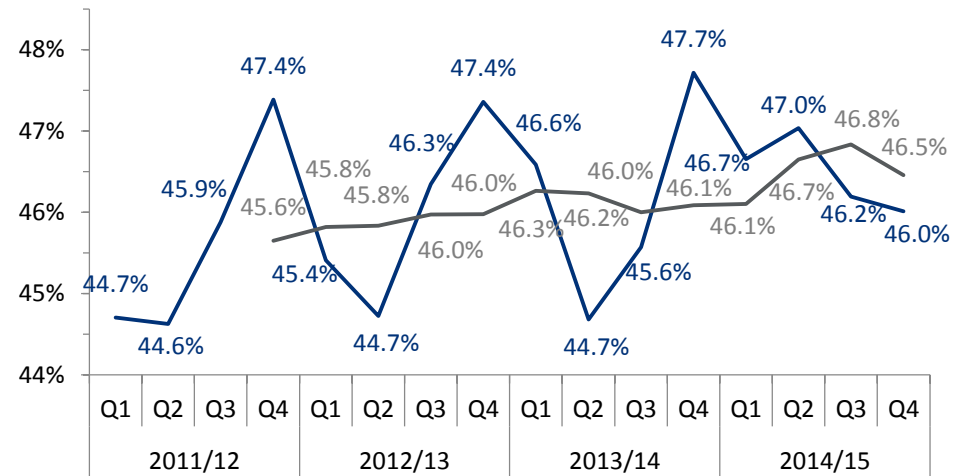


Slight Gross Margin Pressure in Q4 2014/15

- Flat gross profit as a slightly lower gross margin offset higher net revenues
- Gross margin was recorded 46,0% vs. 47,7% same quarter last year
- Gross margin lower due to smaller year-end adjustments and some pressure on underlying margins
- 12m trailing gross margin decreased marginally to 46.5% from 46.8% at the end of Q3



■ Gross profit, DKK m

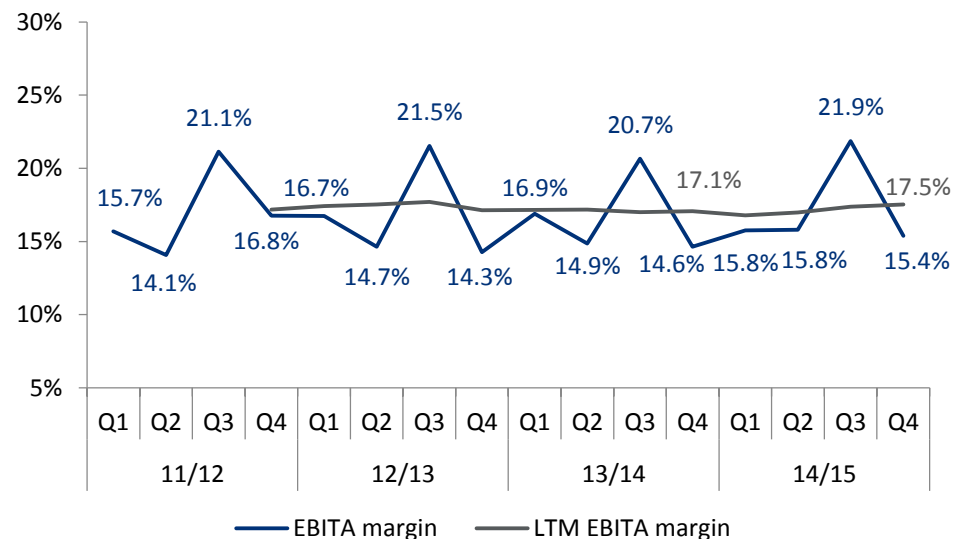


— Gross margin — LTM gross margin

EBITA Margin Up in Q4 2014/15

- EBITA margin increase of 80bp Y/Y to 15.4% (14.6%)
- Other external costs decreased to 8.5% of sales in Q4 compared to 10.9% last year
 - Net marketing costs was unusual low in the quarter
- Staff cost decreased to 20.2% of sales from 20.4% last year
 - Staff costs developed as planned and were broadly unchanged both in the stores and HQ /warehouse as a percentage of sales

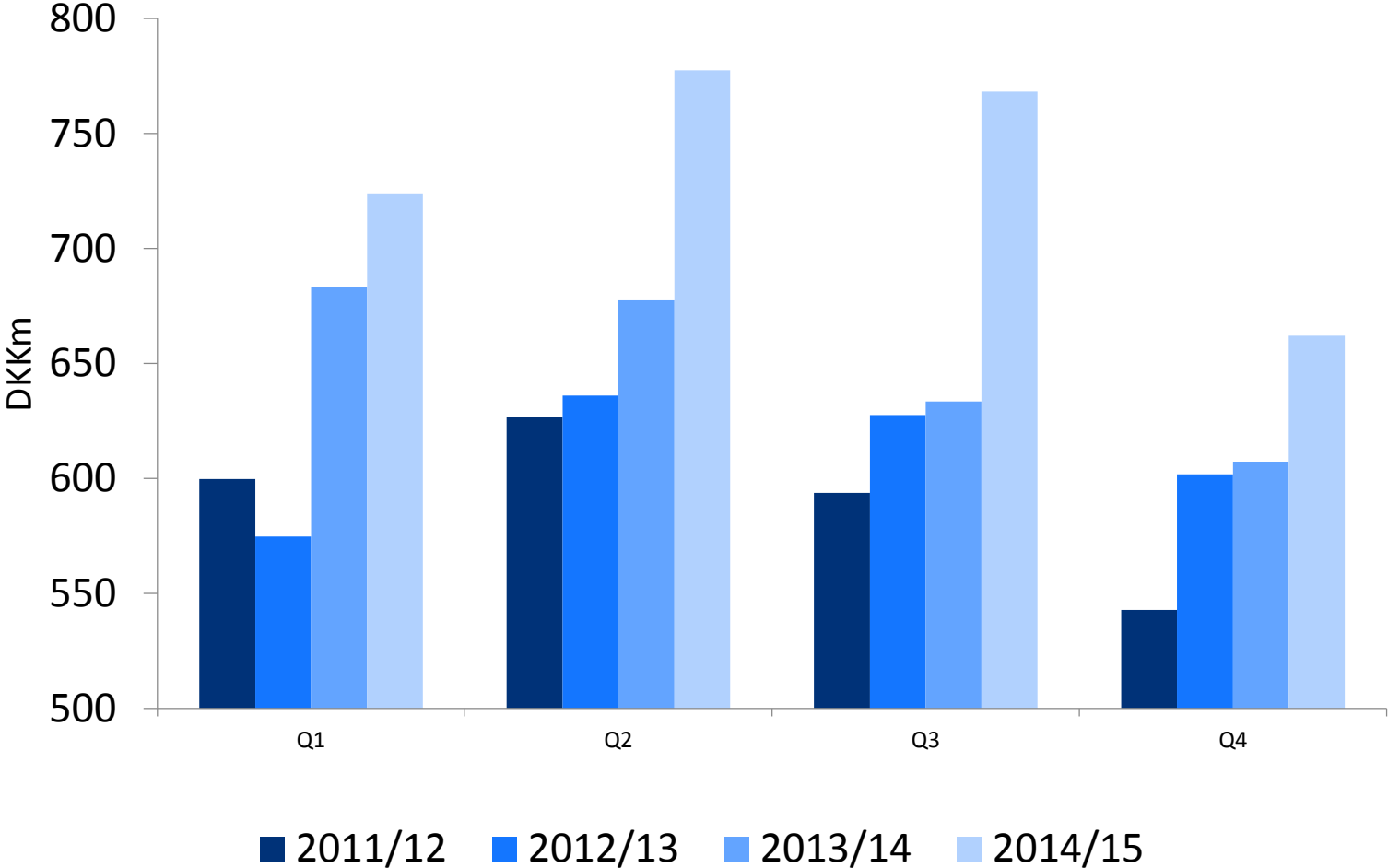
DKK million	2014/15 Q4	2013/14 Q4	Chg.
Other external costs	65	81	-19%
As a percentage of revenue	8,5%	10,9%	
Staff costs	156	152	3%
As a percentage of revenue	20,2%	20,4%	



Income Statement – Q4 2014/15

DKK million	2014/15 Full year	2013/14 Full year	Growth	2014/15 Q4	2013/14 Q4	Growth
Revenue	3.433	3.345	3%	772	744	4%
Gross profit	1.595	1.541	3%	355	355	0%
Gross margin	46,5%	46,1%		46,0%	47,7%	
Other external costs	-292	-315	-7%	-65	-81	-19%
Staff costs	-642	-627	2%	-156	-152	3%
EBITDA	661	600	10%	134	122	9%
Amortisation and depreciation	-134	-135	-1%	-34	-34	-2%
Operating profit	526	464	13%	100	88	14%
Net financials	-65	-83	-22%	-15	-21	-27%
Profit before tax	462	382	21%	85	67	27%
Tax on profit for the period	-121	-133	-9%	-22	-63	-65%
Profit for the period	340	249	37%	63	4	nm
Diluted Earnings per share, DKK	8,38	6,11	37%	1,56	0,09	nm
EBITA	602	571	5%	119	109	9%
EBITA margin	17.5%	17,1%	-	15.4%	14.6%	-
Tax rate	26.3%	34,8%	nm	25.8%	93.9%	nm
Adjusted profit after tax	397.5	374,1	6%	77.3	61.6	25%

Development in Inventories



Positive Working Capital Development

- DKK -24m in cash outflow from changes in net working capital
- Trade and other payables decreased by DKK 127m
 - Lower trade payables due to timing effects around 31/12 and 31/3
 - Decrease in other debt of DKK 73m related seasonal effect in prepayments from customers (gift cards) and VAT payments. Change in other debt in Q4 2013/14 included payments of short term debt in acquired associated stores.

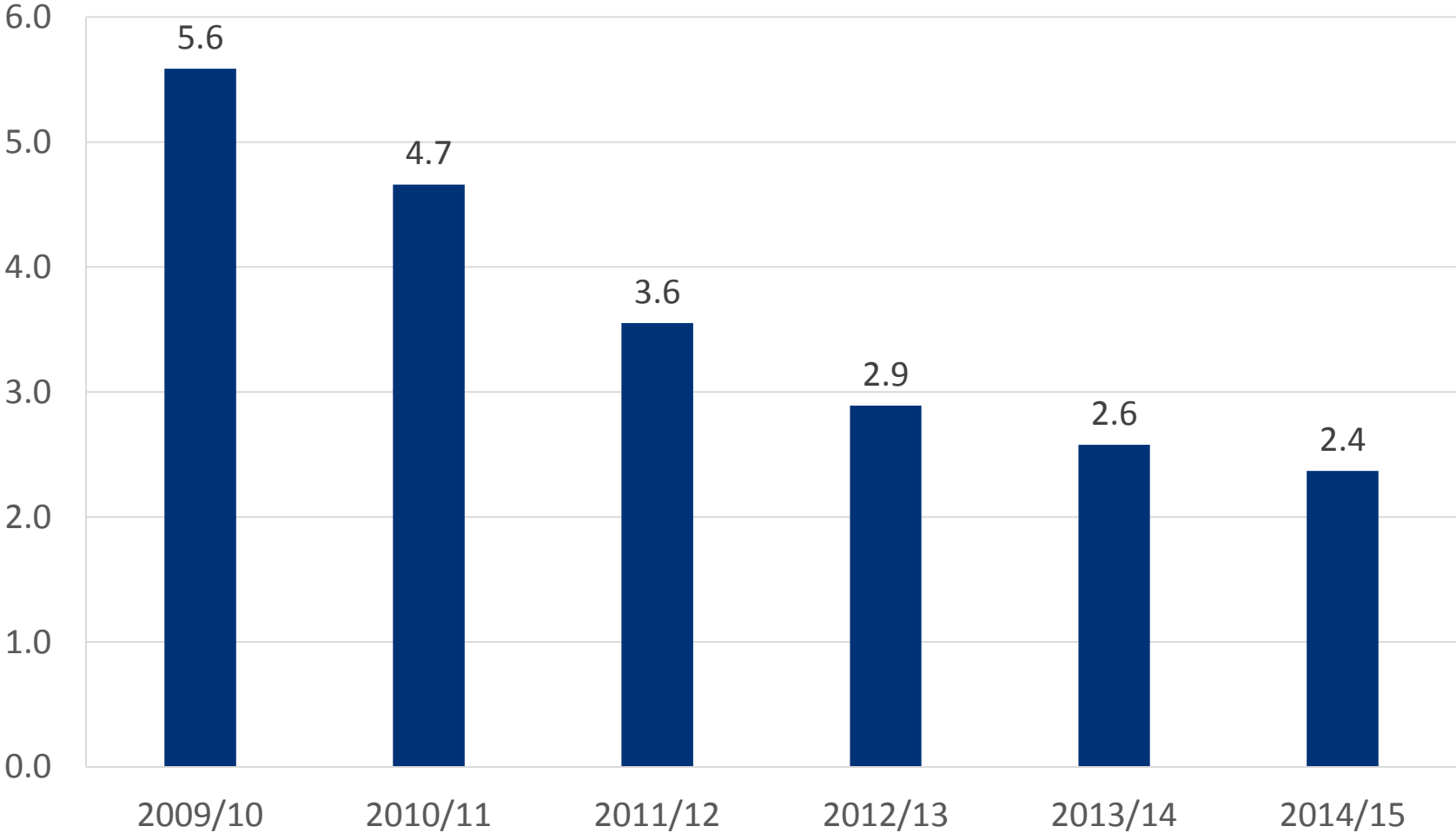
DKK millions	2014/15 Q4	2014/15 Q3	2014/15 Q2	2014/15 Q1	2013/14 Q4	2013/14 Q3	2013/14 Q2	2013/14 Q1
Change in inventories	106.1	9.2	-53.4	-116.7	56.3	43.9	6.0	-68.3
Change in receivables	-3.2	4.1	2.8	25.0	75.5	-44.7	7.9	-3.7
Change in trade and other payables	-126.6	71.7	-91.5	130.8	5.4	47.1	-48.3	-4.8
- trade payables	-53.3	-32.7	-91.7	148.2	117.9	-100.4	-23.7	-0.6
- other payables	-73.3	104.4	0.2	-17.4	-112.5	147.5	-24.6	-4.2
Total change in net working capital	-23.7	85.0	-142.1	39.1	137.2	46.3	-34.4	-76.8

Q4 2014/15 Cash Flow Development

- Cash flow from operations was DKK 111m in Q4 compared to DKK 259m in Q4 2013/14
- Free cash flow in Q4 of DKK 55m compared to DKK 146m last year

(DKK million)	2014/15 Full year	2014/15 Q4	2014/15 Q3	2014/15 Q2	2014/15 Q1	2013/14 Full year	2013/14 Q4
Cash generated from operations	621	111	327	-1	184	674	259
Paid interest and taxes	-198	-42	-133	-12	-12	-324	-68
Cash flow from operating activities	422	68	194	-13	172	350	192
Acquisition of PPE and intangibles	-51	-11	-12	-16	-12	-62	-15
Acquisition of subsidiaries and activities	-11	-2	0	-5	-4	-114	-31
Free cash flow	360	55	182	-34	156	174	146
Cash flow from financing activities	-459	-351	-59	-49	0	-570	-308
Net cash flow from operating, inv. and fin. activities	-99	-295	123	-83	156	-397	-161

Net Interest Bearing Debt



2015/16 Guidance

	Guidance 2015/16	Realised 2014/15
Revenue		
Reported revenue	Around 3.5bn	DKK 3,433m
Like-for-like growth assumption	Approx. 2%	1.5%
Earnings		
EBITA margin	Between 17.0 % and 17.5%	17.5%

Question & Answer

GÆLDER FRA SØNDAG D. 12. MAJ TIL LØRDAG DEN 23. MAJ 2015. SALGSELAGER HÆVES
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Alle Mac Factor massanser 2 for 198,- SPAR OP TIL 100,-
FRIT VALG 149,- SPAR 131,-
2 for 1
GODT KØB 349,-
Origins Møskur Flere vænter. 75-125 ml max. 1.986,06 l
Matas Øjemaakup Fjerne Flex vasker. Uden parfume. 125 ml 299,60 l
PR. STK. 49,95
Schell Vælvætsmeotti Glæder på fodtillid håndhud.
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 Tilbudet gælder alle 2 Matas butikker 2015

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 49,-
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 10-500 ml max. 1.207,06 l
 15-400 g max. 1.553,23 kg

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 Club Matas medlemmer får **DOBBELT POINT** på alle de viste produkter