

Matas Capital Markets Day

14 June 2016



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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.

The outcome of today's meeting

- Meeting a broader part of daily management
- Perspective on Matas 2020 strategy
- A more detailed look into the strategy's most important value drivers

Agenda

- Introduction to Matas
- Strategy 2020: “The Ultimate Difference”
- Club Matas 3.0
- Assortment Strategy
- **Break 10.40**
- Matas Omni Channel
- Store Network
- Financial Considerations
- Q&A

Terje List, CEO

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Anne Lene Hamann, Marketing Director

Stig Nielsen, Purchasing Director

Michael Wassmann, Head of Ecommerce

Katrine B. Benthien, Head of Strategy Development

Anders Skole-Sørensen, CFO

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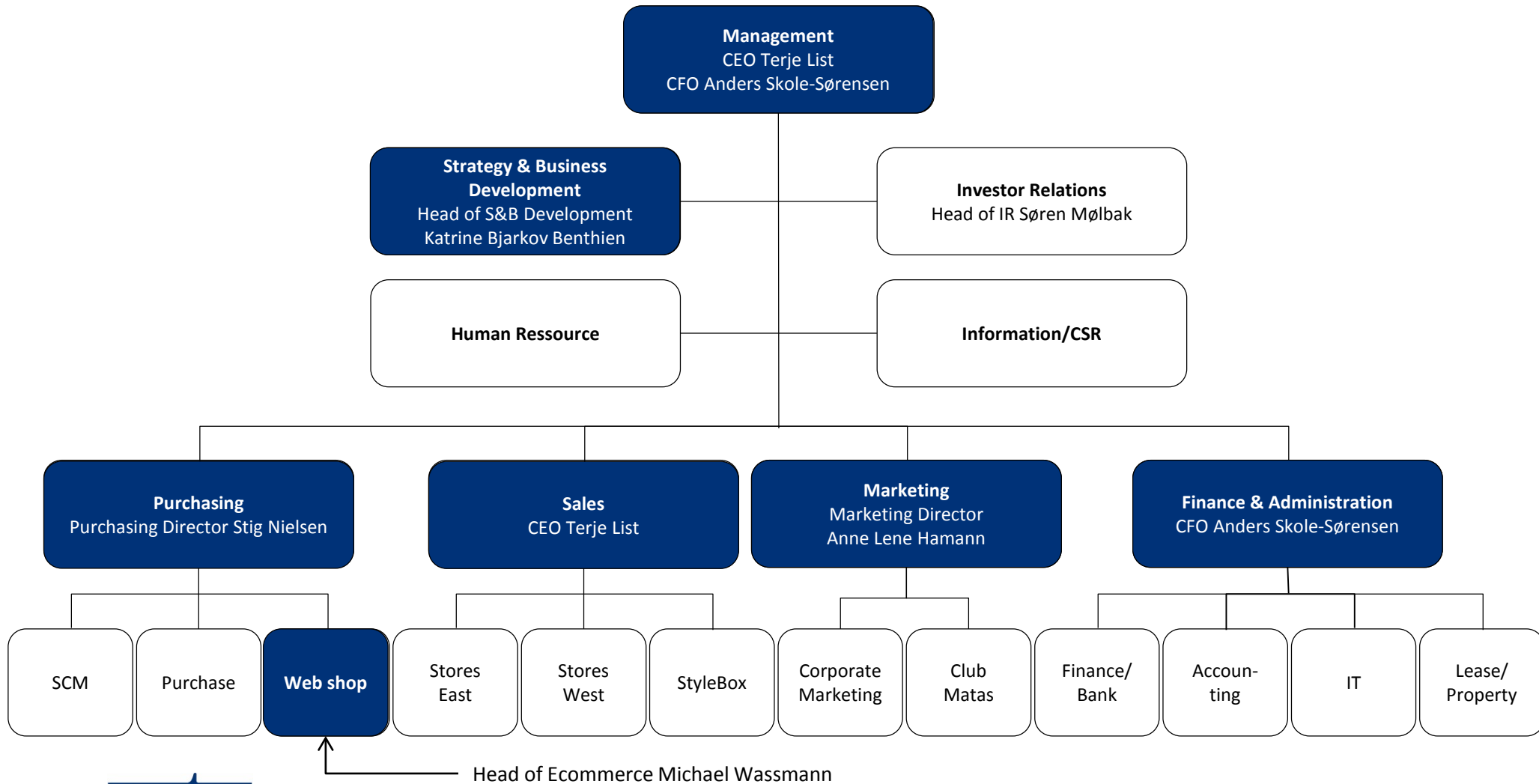
Stig Nielsen, Purchasing Director

Michael Wassmann, Head of Ecommerce

Katrine B. Benthien, Head of Strategy Development

Anders Skole-Sørensen, CFO

Organisation – Matas Operations A/S



Today's presenters

Terje List, CEO



- With Matas since 2000
- Previous employment:
 - Suma Holding (CEO)
 - Dagrofa (Retail Manager)

Anders Skole-Sørensen, CFO



- With Matas since 2007
- Previous employment:
 - DT Group (Deputy CFO)
 - Velux Group (Treasurer)

Stig Nielsen, Purchasing Director



- With Matas since 2006
- Previous employment:
 - Magasin (Retail Director)
 - Nuance (CEO)

Anne Lene Hamann, Marketing Director



- With Matas since 1990

Katrine Benthien, Head of S&B Development



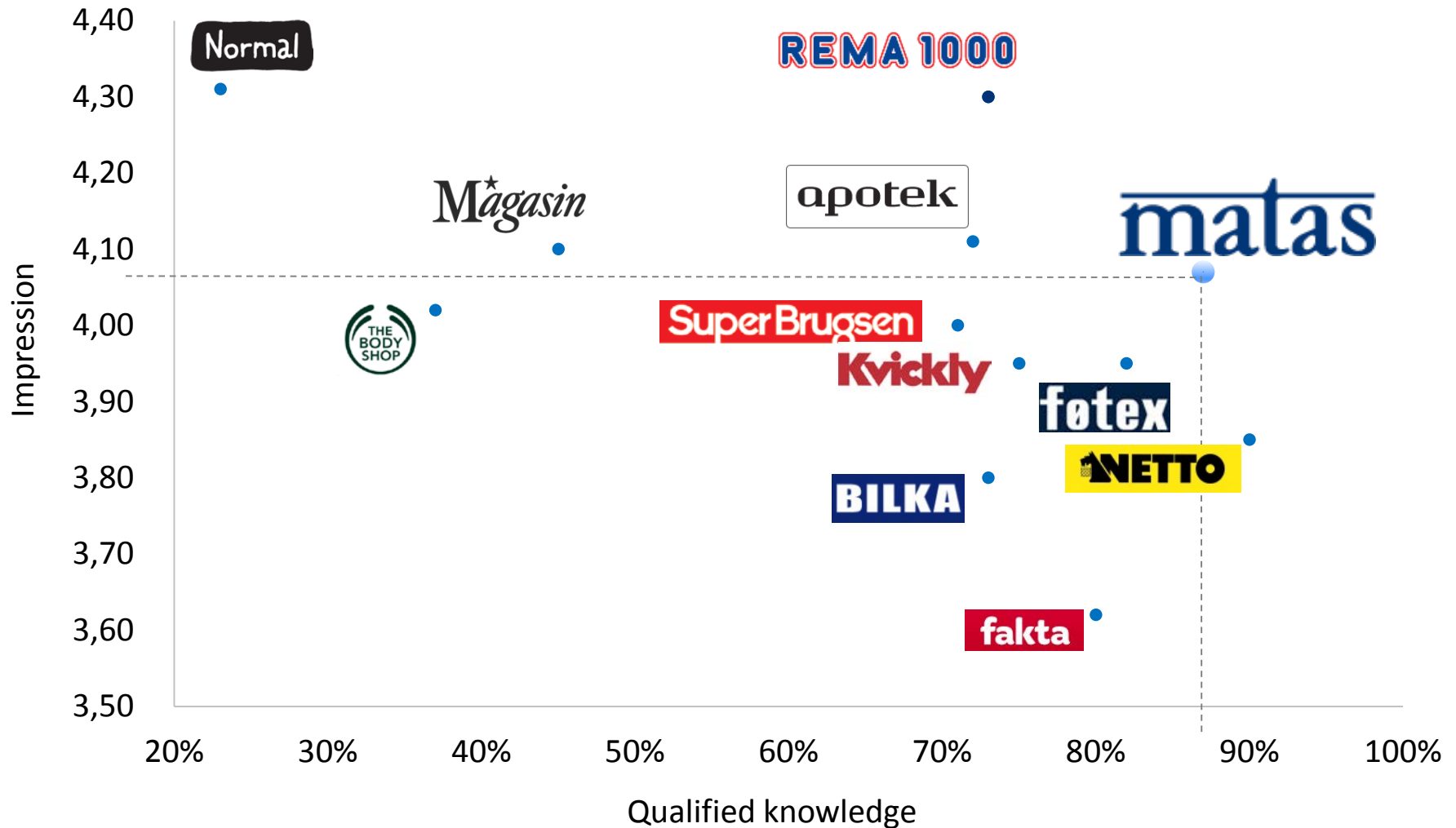
- With Matas since Feb. 2016
- Previous employment:
 - Pandora (SV Group Strategy)
 - Coloplast (Business Unit Director)

Michael Wassmann, Head of Ecommerce



- With Matas since 2014
- Previous employment:
 - Trendsales (Country Man.)
 - We Love Design Shop (Ecom. Manager)

Strong retail brand in Denmark



Matas is the leading Health & Beauty retailer in Denmark

1

Health and Beauty retail
chain in Denmark

290

Matas stores – and a web
shop - across Denmark

98 %

awareness
among women

~17 m

visitors on
Matas.dk in 2015

matas

3.4 bDKK

Revenue in 2015/16

~1.6 m

Club Matas members

~23 m

store visits in 2015/16

>17%

EBITA Margin in
2011/12-2015/16

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Matas operates with 2 store concepts

matas

290 stores +
web shop



Matas
Concept

Chain opened in 1949

The Matas stores sell a broad range of beauty, personal care and health products with focus on a high service level and high value for money

StyleBox
By Matas

5 stores + 1 Shop in
Shop + web shop



StyleBox
Concept

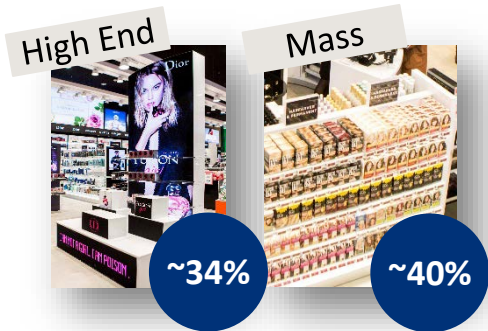
Chain opened in 2013

The StyleBox stores sell professional hair care and nail care products, make-up and related treatments with high experience and event focus

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Matas stores with 4 shop in shops and high share of private label

Beauty shop



Vital shop



Material shop



MediCare shop



Several private labels & exclusive brands (~19% of total sales)

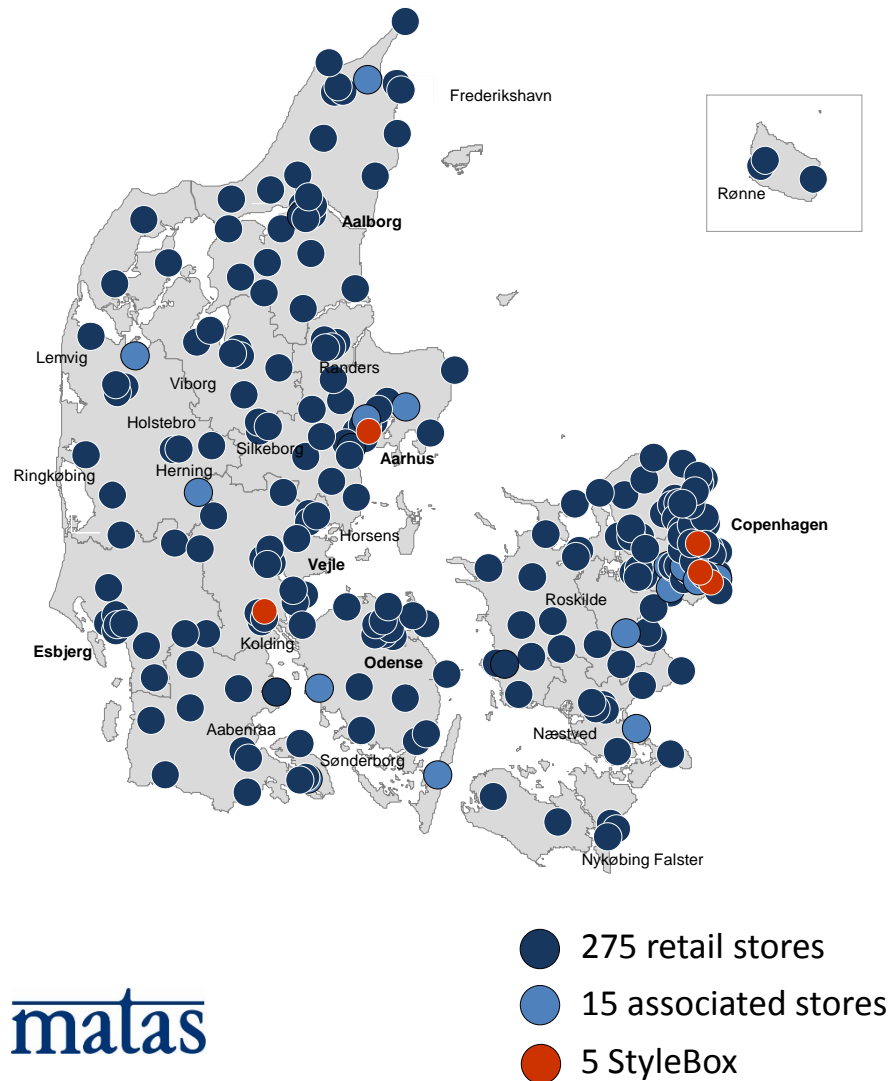


Own brands: Striberne

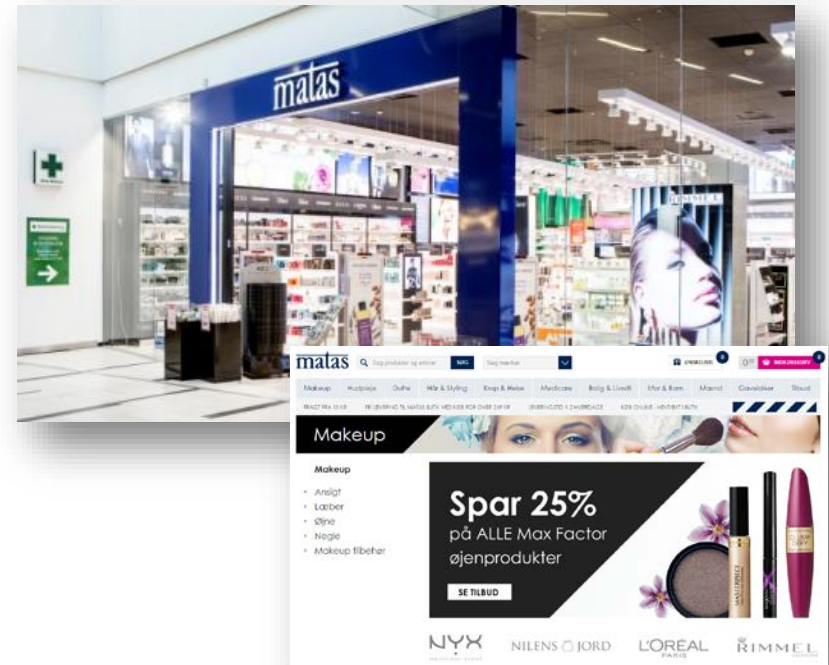


Exclusive brands: Rimmel

Market leadership through Matas' extensive store network

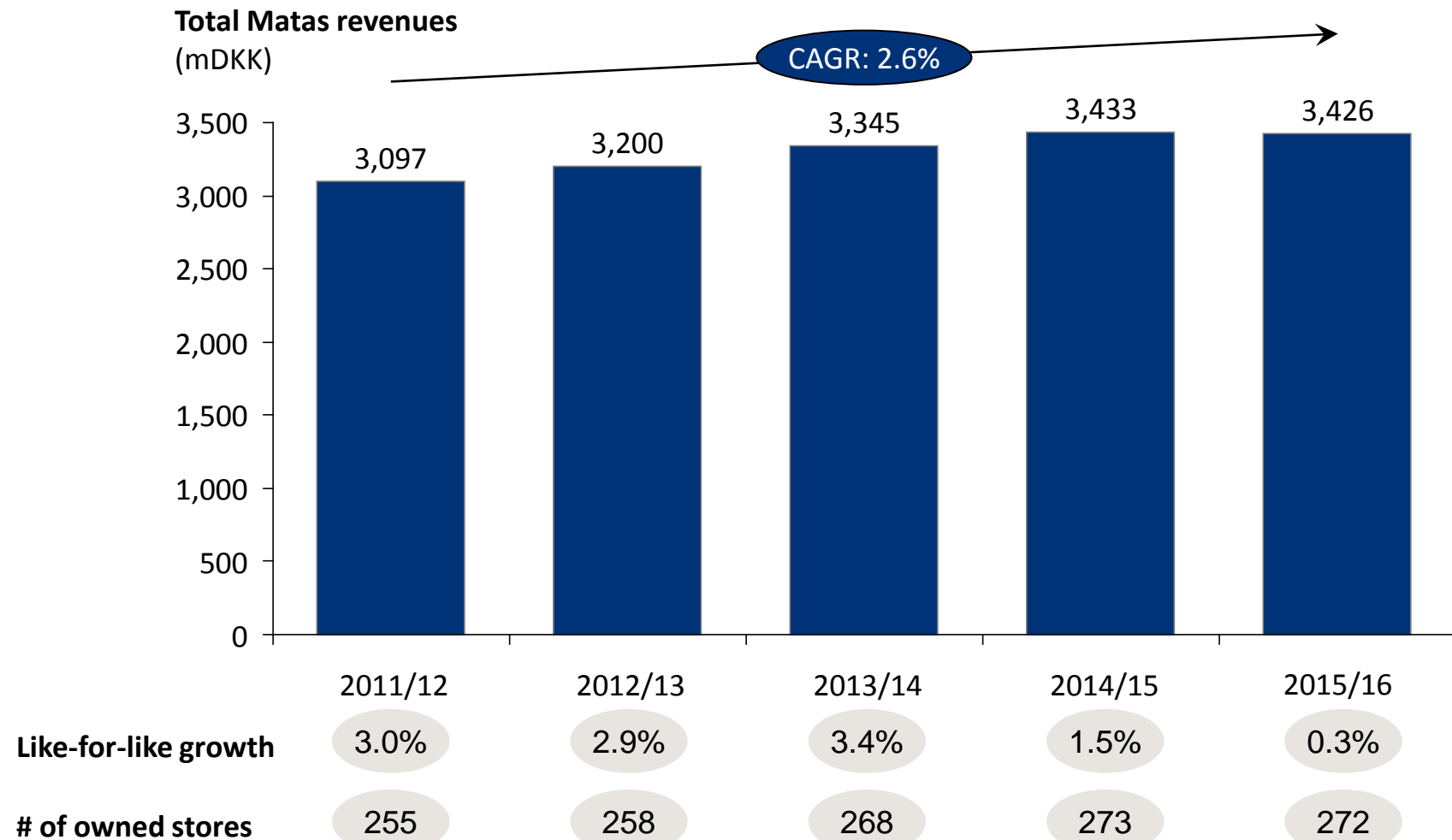


290 Matas stores across Denmark



+ Matas.dk

Strong performance – but flat top line in 2015/16



Stable high EBITA margin

	2011/12	2012/13	2013/14	2014/15	2015/16
Sales	3,097	3,200	3,345	3,433	3,426
Sales Growth	3.5%	3.3%	4.5%	2.7%	-0.2%
LFL Growth	3.0%	2.9%	3.4%	1.5%	0.3%
Gross Margin (%)	45.6%	46.0%	46.1%	46.5%	46.8%
EBITA Margin (%)	17.2%	17.1%	17.1%	17.5%	17.2%

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"The ultimate difference" 2020 Strategy



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The market dynamics have changed – but low impact so far

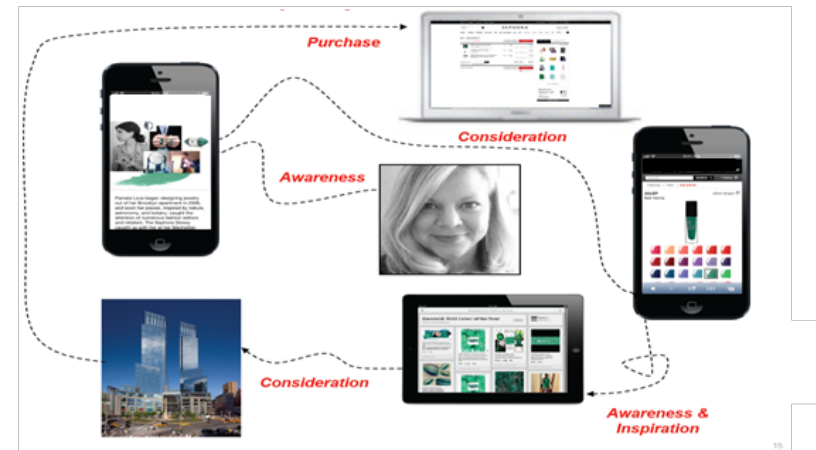
Intensifying competition



New competitor expanding; Aims to have ~80-120 stores over coming years

Online retailers gaining a limited share of the High End/Selective segment

Change in customer behaviour



Changing customer behaviour is putting new requirements on both online and Omni channel retailers

Matas has a great starting point for future success



Strong brand
& clear market
leader



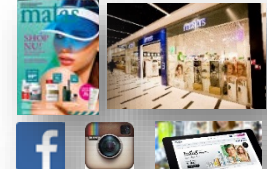
Unrivalled
store network



Large & loyal
customer base



Unique
assortment &
supplier
combination



Serving
customers
across
platforms
(Omni channel)

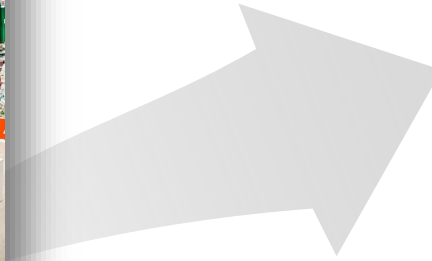


Become more customer focused



Increase focus on online/Omni

We aim to further strengthen our leading position



Matas today

- 3.4 bDKK in turnover, with strong profitability
- Clear leader in offline beauty market, clearly weaker position online

2020 ambition

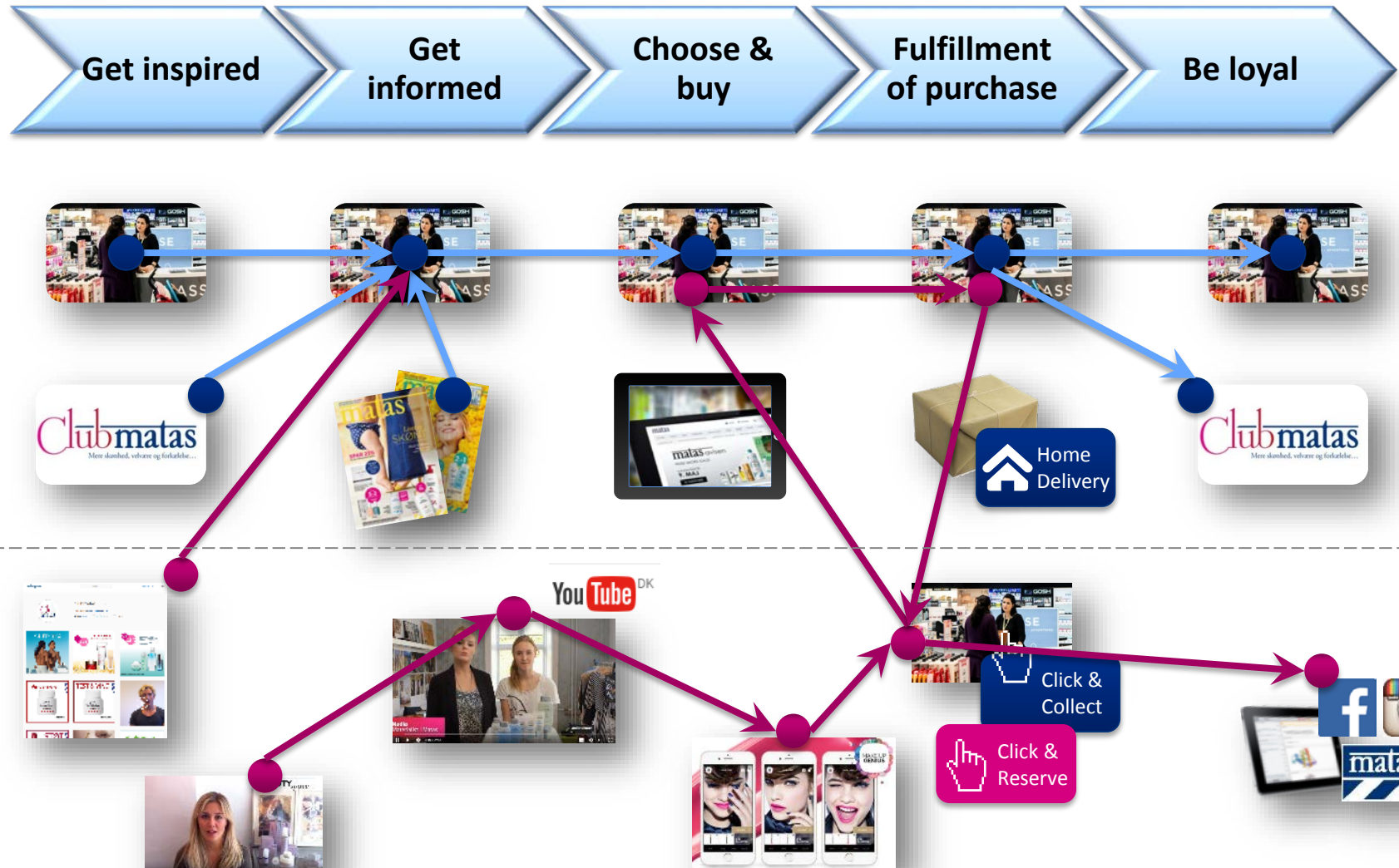
- Over 4 bDKK, with continued strong profitability
- Leader in both online & offline market
- **The destination for beauty & wellbeing**

Be the #1 retailer in
Beauty & Wellbeing across channels
'The destination for Beauty & Wellbeing'

Matas' CVP: *The* destination for Beauty & Wellbeing



Customer journey of tomorrow – Full Omni channel integration



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Customer journey earlier = ● —●—●

Customer journey today and in the future = ● —●—●

Two key focus areas to deliver on strategy

Customer centricity

Putting the customer in the center in everything we do, through three initiatives

- 1 Customer centric offering
- 2 World class store experience
- 3 Effective pricing & promotions



Digital leadership

Taking Matas' digital presence to the next level and ensuring the best customer experience, through two initiatives

- 4 Omni channel leadership
- 5 Full value of Club Matas



3 key strategic initiatives to drive customer centricity



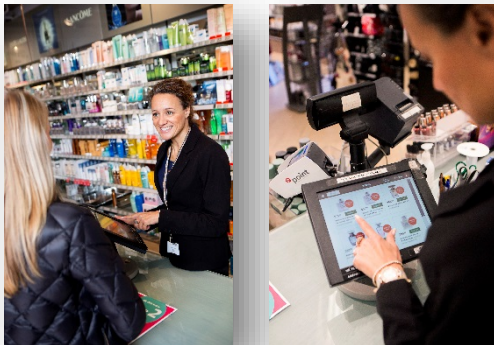
2 key strategic initiatives to drive 'digital leadership'

4 Omni channel leadership

Stores and online working together to drive sales for Matas

- Not relevant 'where' sales take place – we work as one Matas

Matas to take full ownership of the customer journey – engage and influence customers before they enter the store



4

5 Full value of Club Matas

Develop club benefits & provide value to the customers beyond points

- Club Matas 3.0 as first step to individualise the rewards

Increase focus on brand building & engagement

We will make even better use of insights from our club members

Focus on fewer, but more strategic partners for ClubM



5

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Online market leadership

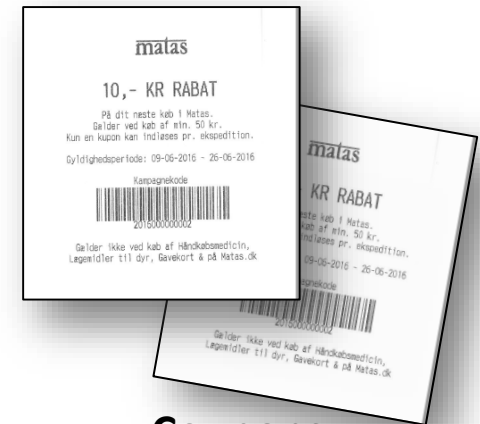


Other growth drivers

Impulse concept



E-vouchers



Coupons



Events

Matas strategy house

Be the #1 retailer in
Beauty & Wellbeing across channels

'The destination for Beauty & Wellbeing'

Customer centricity

- 1 Customer centric offering
- 2 World class store experience
- 3 Effective pricing & promotions



Digital leadership

- 4 Omni channel leadership
- 5 Full value of Club Matas



Employees: Continue to develop our staff, in stores and at HQ

Operating model supporting strategy

An organisation that quickly responds to trends and changes in customer needs – using customer insights.
Continued development of close partnership with suppliers to ensure marketing support

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Club Matas in numbers ...

1.6 million members – only 4% left over the last 5 years

1.4 million members with permission to Club Matas marketing

95% women – demographic and geographic grouping similar to Danish female population

660.000 members visit our stores min. once a month

850.000 visits to clubmatas.dk on average every month – approx. 650.000 unique visitors

2.1 million "rewards" redeemed in total

95% of the members are "satisfied/very satisfied"



Club Matas Milestones

0.5 mio. members
(March 2011)

1 mio. members
(April 2012)

1.4 mio. members
(January 2014)

~1.6 mio. members
(June 2016)

Club Matas 3.0 & New App (May 2016)

Club Matas.dk
re-launched responsive
(Oct 2015)

Sales tool on POS terminals
(Aug 2014)

Personal offers

(May 2014)

Club Matas Instagram

(Sep 2013)

Partner loyalty program
(May 2012)

Club Matas **mobile web,**
Facebook, Youtube & App
(June 2011)

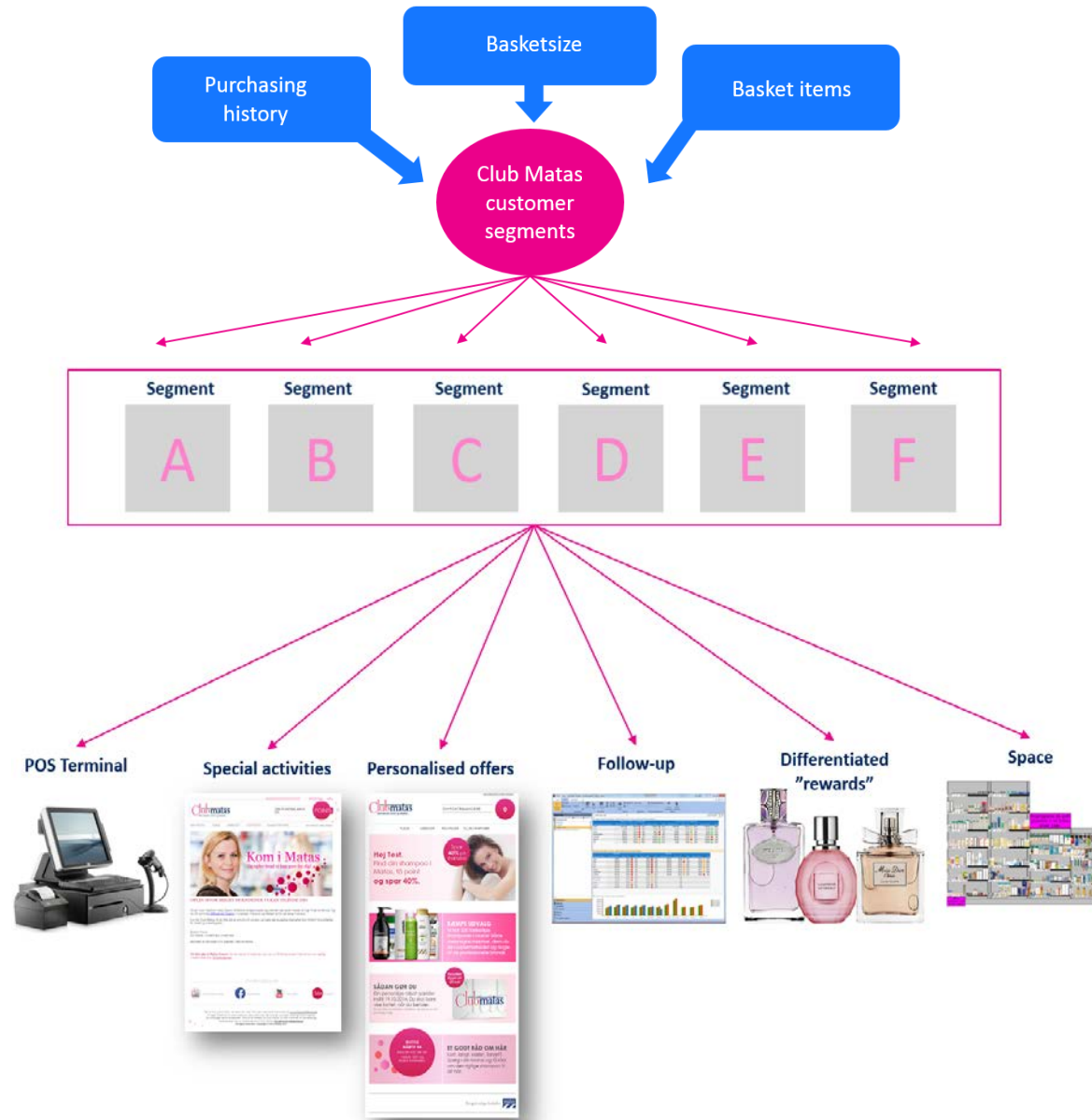
Club Matas
full launch
(Sep 2010)



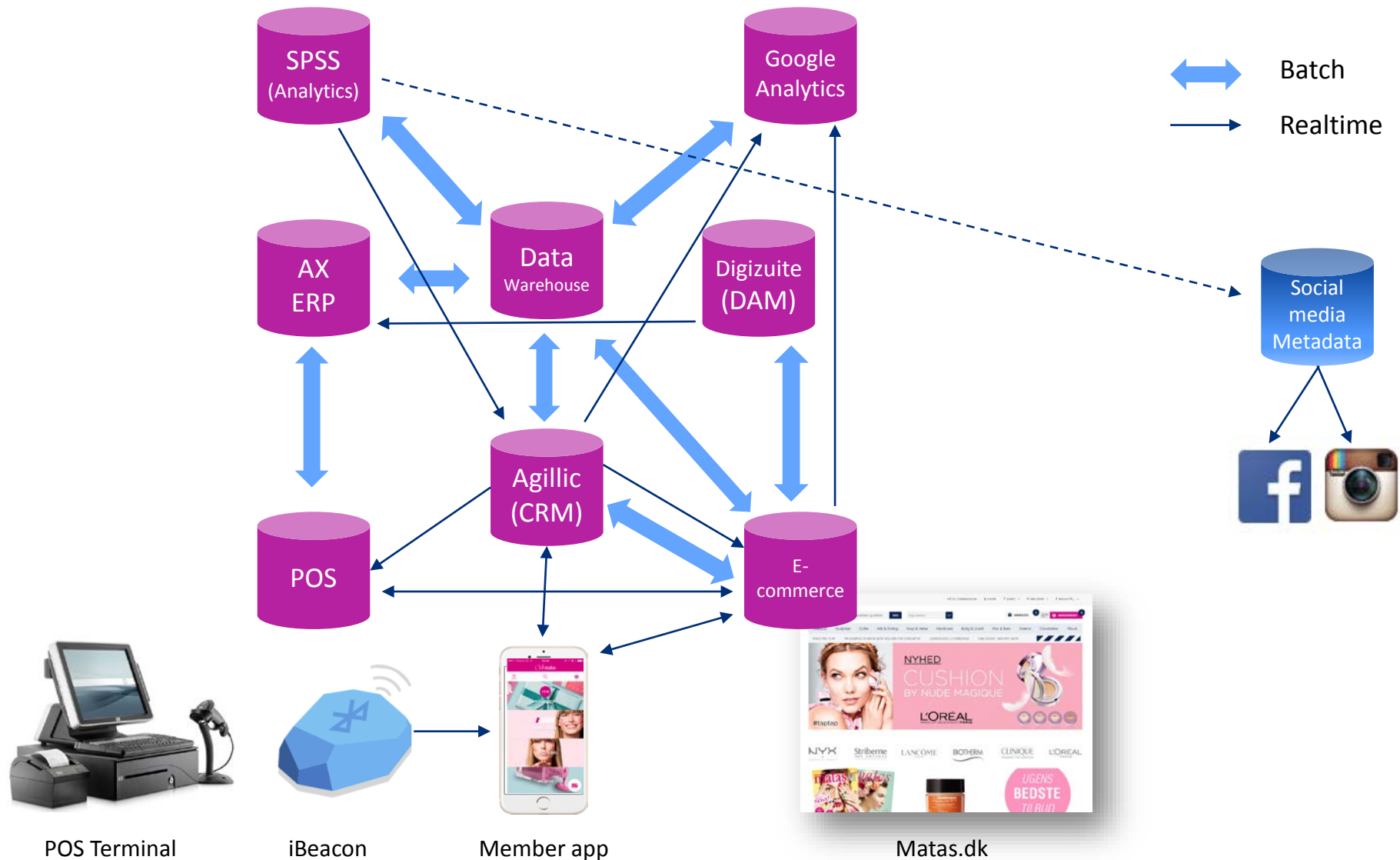
Club Matas Universe – 1to1 realtime full scale marketing platform



Club Matas customer segments



Using big data across platforms requires a complex IT Infrastructure



We increase use of big data

Commercial

- Promotional effectiveness
- Pricing optimisation
- Vendor & SKU management
- Assortment & placement optimisation
- Demand forecasting/optimisation

Store operations

- Personalised cross/up selling
- Online store personalisation
- Floor planning optimisation
- Geo analytics for store placements

Sales & Marketing

- Personal communication & activation
- CRM management
 - lifecycle, value & trigger based
- Optimise external online marketing campaigns
- Big data as a service



We know Christina and know what she likes ...

- Data is **collected** on all platforms
- We **predict** behaviour based on purchasing history
- And we **utilise** this on all platforms – realtime!

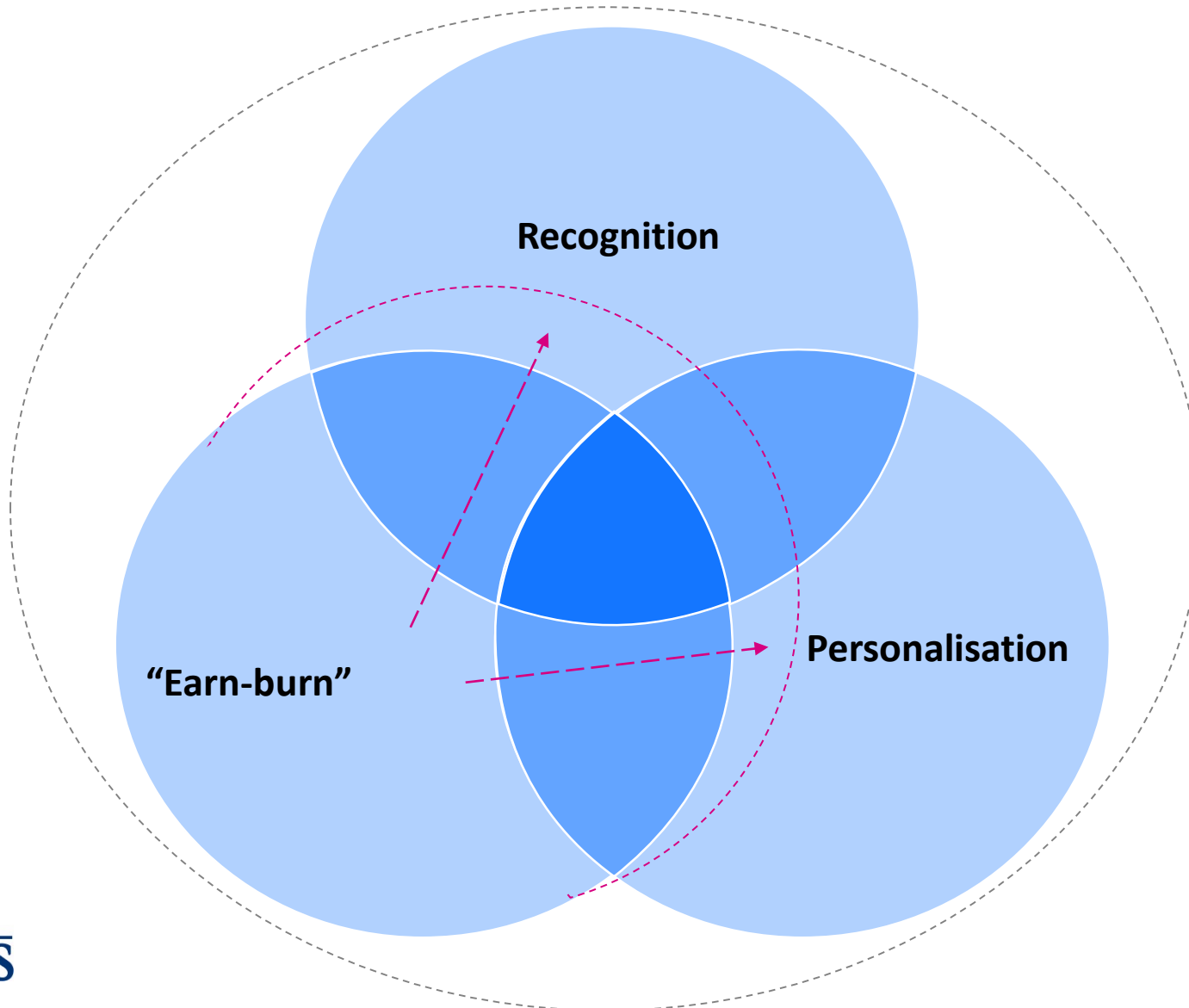
Segment A



- Preferences for Matas Natur
 - Not purchasing shampoo
- Purchasing face lotion every 3 months
 - Beautylover (SoMe)
- Frequent health customer

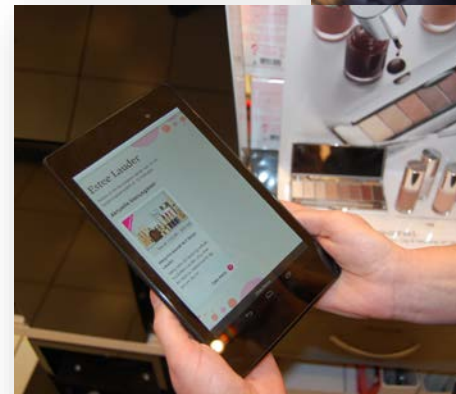
- Clinique primary
- Member of Clinique "My Favorites"
- Shows interest in Lancôme
- Previously purchased sunscreen
- Heavy user Club Matas points

Moving towards a deeper relationship through engagement



The role of Club Matas – now and even more in future

- An **integral part of the business model** – across customer journey and Omni channel
- **Branding & communication platform** to push Matas CVP and image to create reasons to engage and visit (also beyond transactional needs)
- Serve as prime **customer relationship platform** for Matas, to create a personal connection and belongingness to the banner
- Platform to **drive sales** through points, relevant promotions & products
- Deep **customer insight through intelligent use of big data** & use learnings taking better commercial decisions through out the organisation



Club Matas 3.0 – launched 27th of May

- **More** benefits for **more** members **more** frequently
- Increase footfall & basket size
- Create new excitement around Club Matas
- Becomes more and more valuable each day

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Nu sker der noget helt **NYT** i Club Matas!

Nu får du striber, når du handler, og dine helt egne fordele.

Vil du have en gave, rabat eller ekstra point på dit næste køb? **DU BESTEMMER!**

Så let er det:

Hver gang du handler for 200,- får du **en stribe**.
Når du har 6 striber, vælger du **din fordel**.



Se mere i din
Club Matas
app.



Mechanism of human/customer behaviour



Goal gradient ✓



Loyal to "own" investment ✓



Urgency (time) ✓



Frequency ✓



Customisation ✓



Endowment ✓



Loss aversion ✓



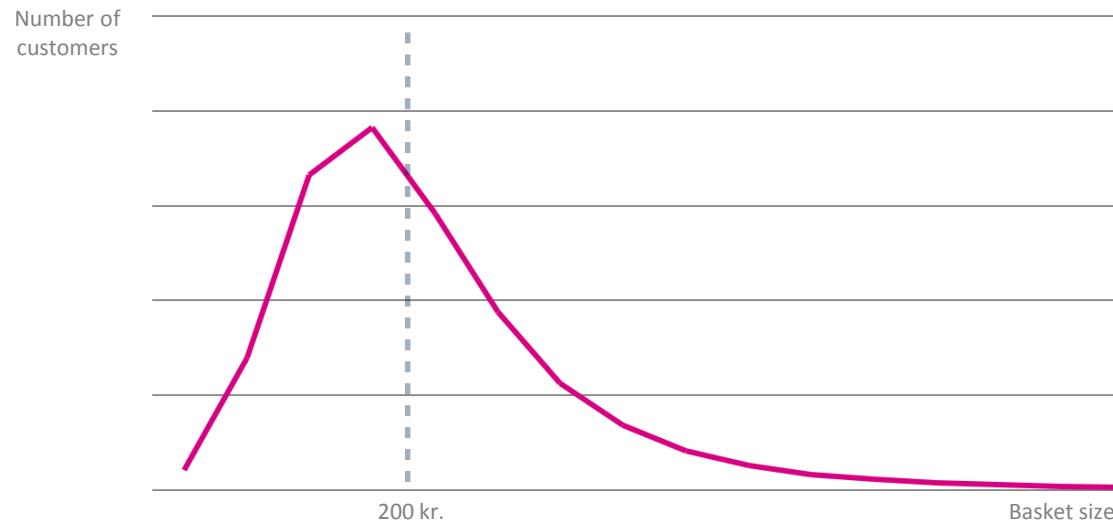
Curiosity ✓

✓ = Club Matas 3.0

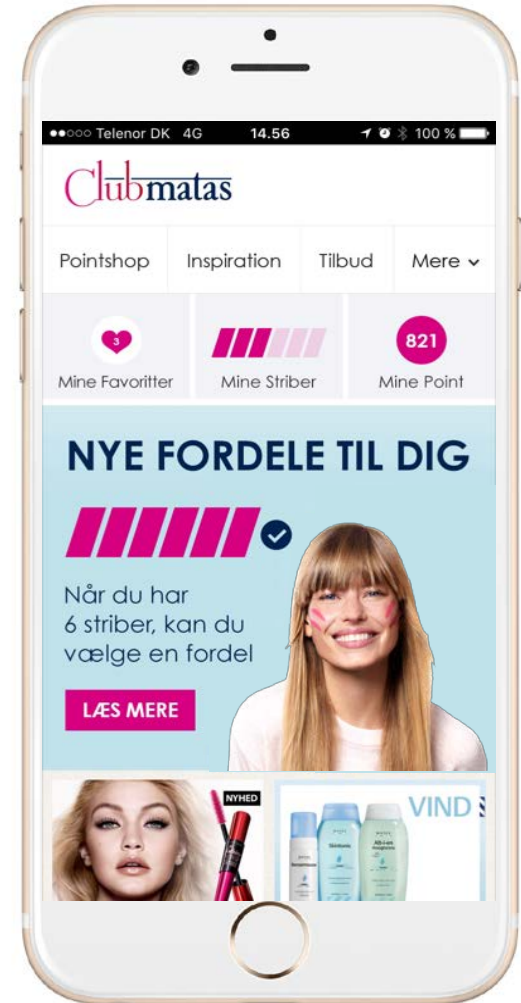
The "Mine Striber" concept

- "Stripes" awarded for DKK 200 purchase
- Six stripes = personalised benefit only for you
- The members can choose between 3 different benefits
- Benefits are on 3 different levels, increasing in attractiveness/value
- Normal point reward system remains

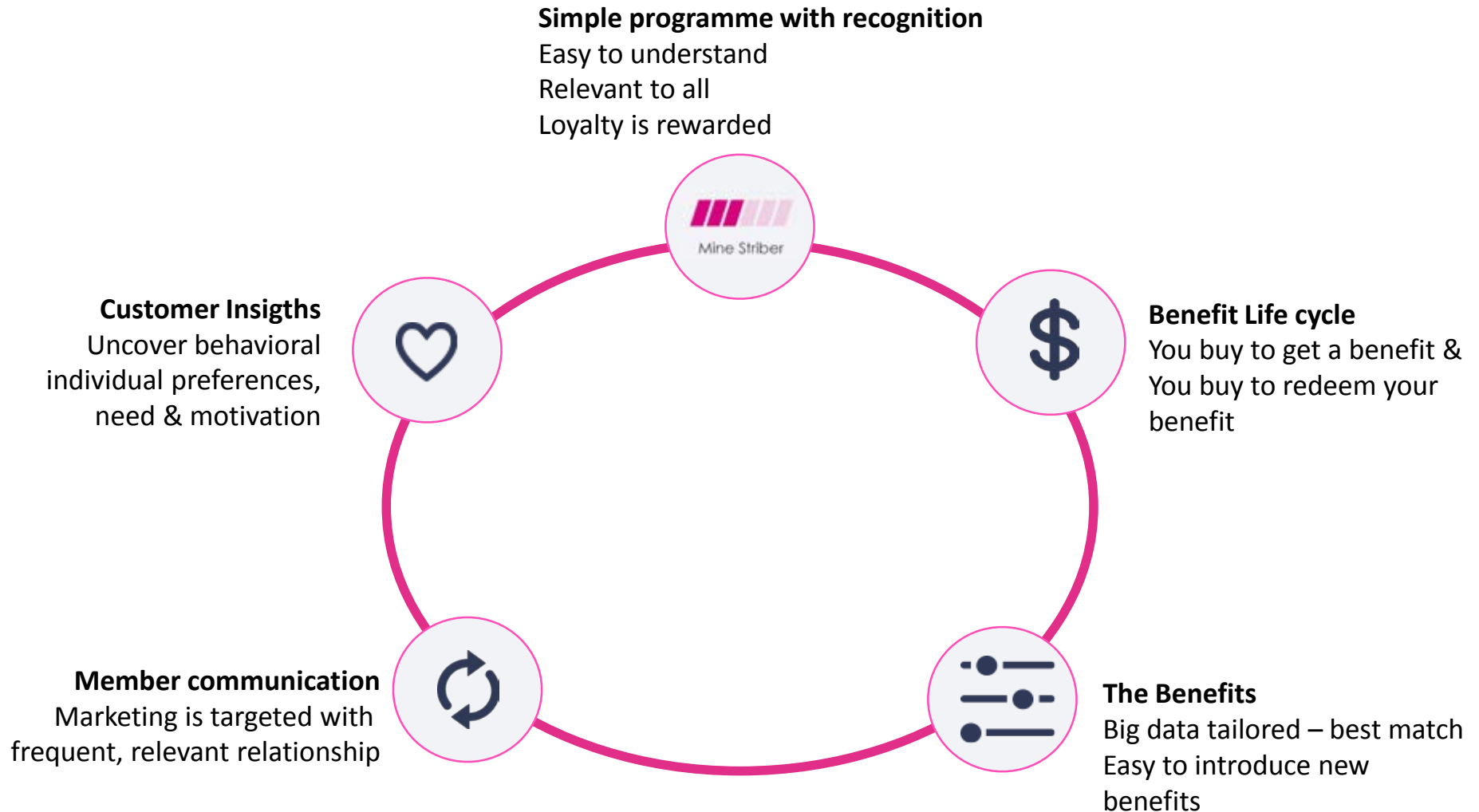
Uplift basket size



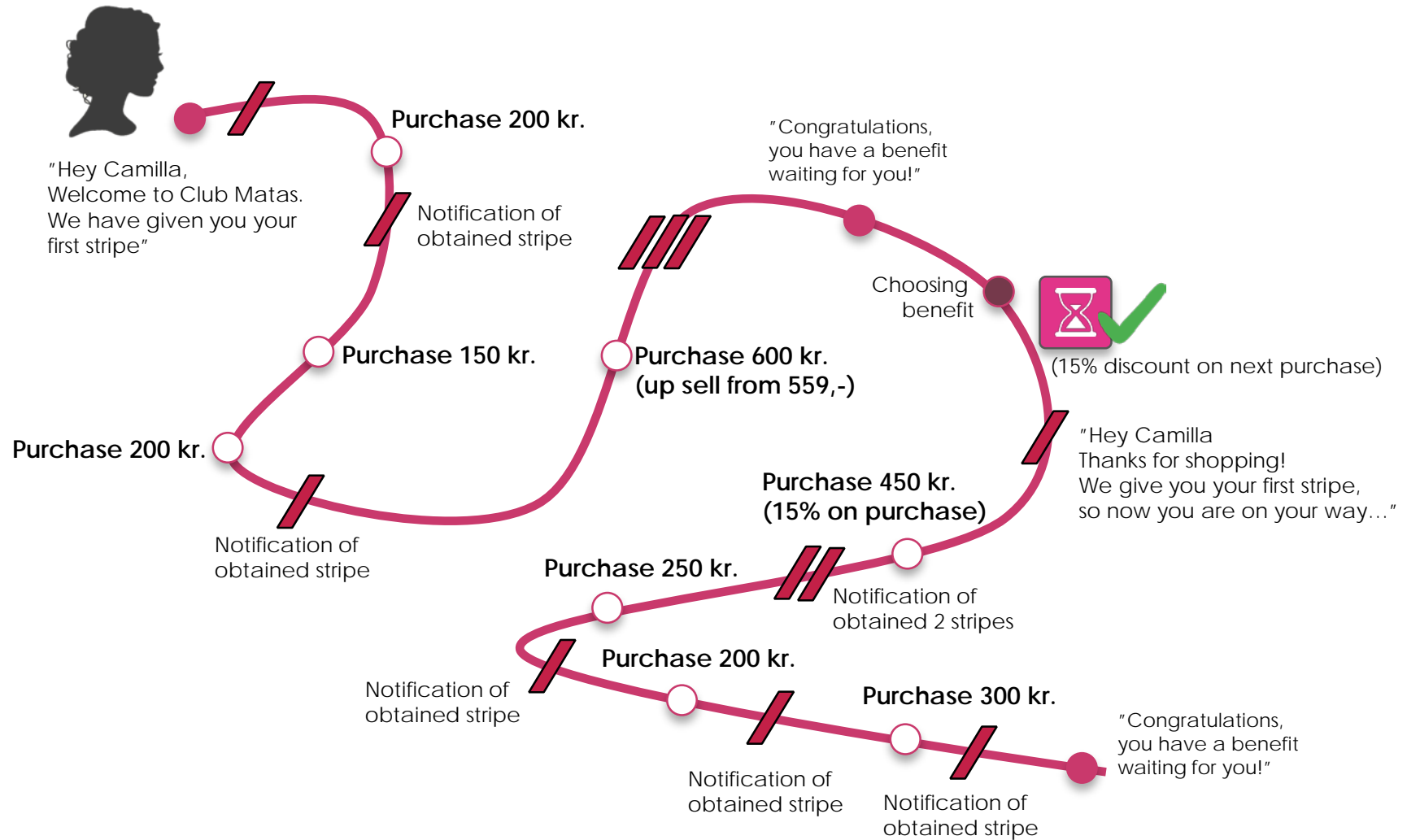
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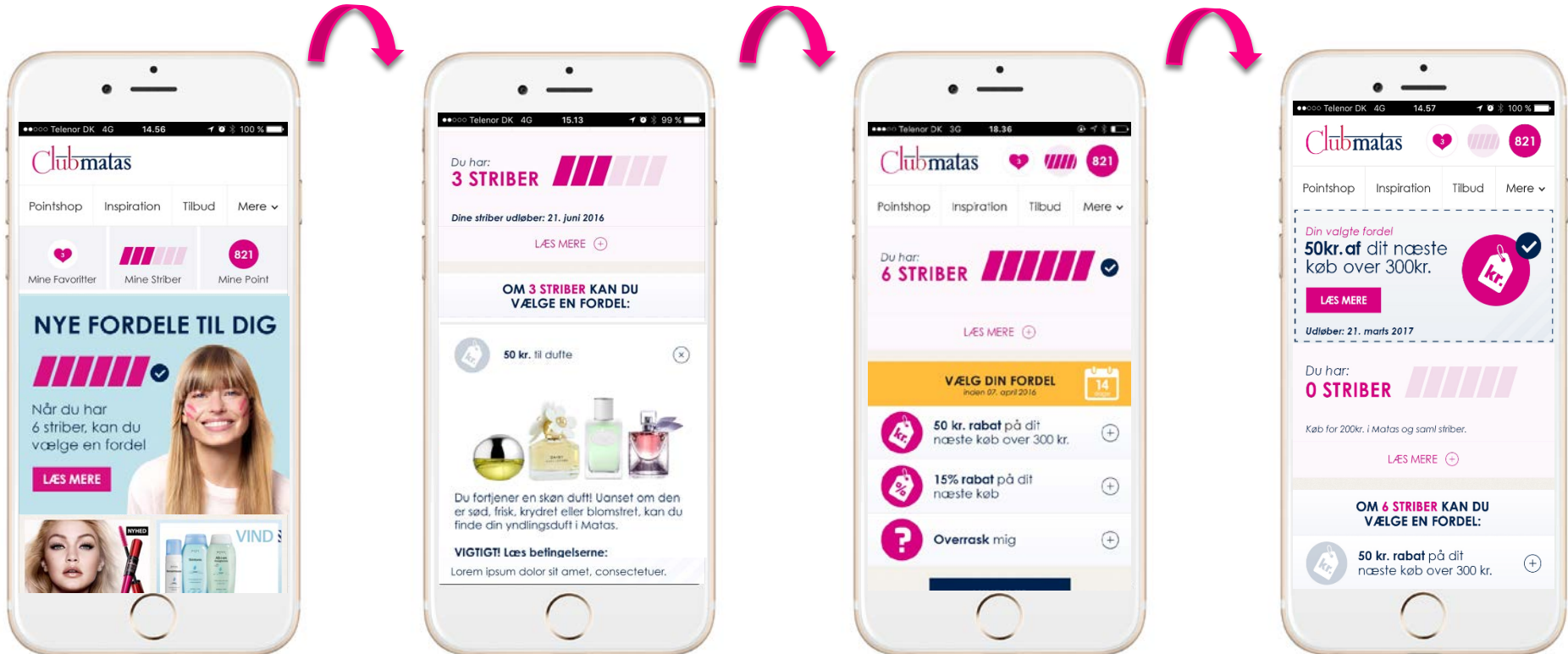
The concept of individual Club Matas benefits



Camilla

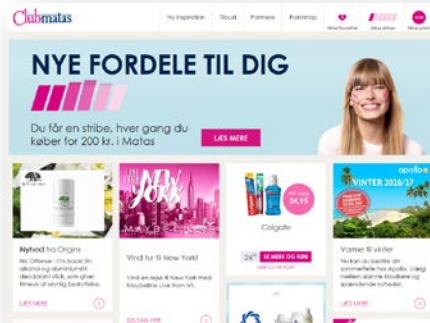


Club Matas 3.0 on the Club Matas Platform

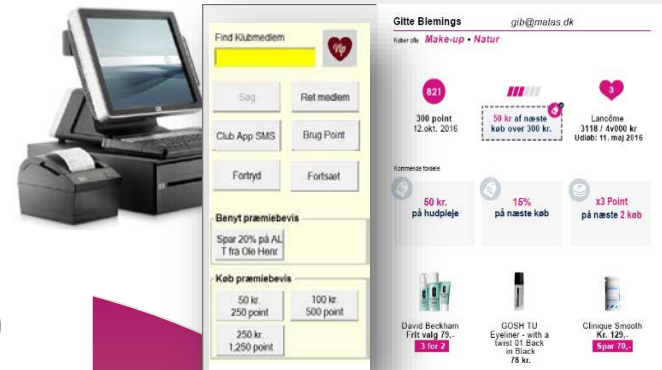


360 degree realtime – Club Matas 3.0

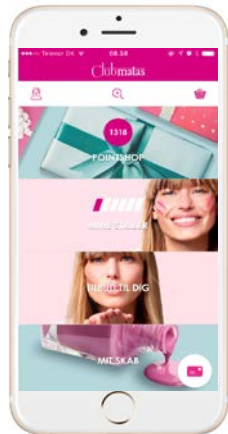
Clubmatas.dk



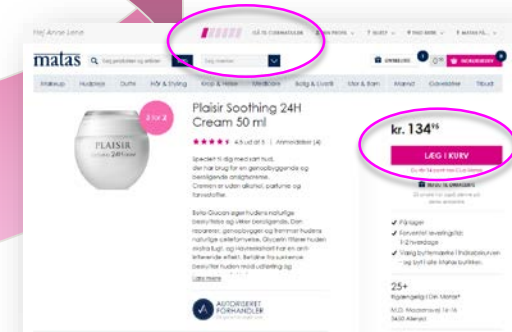
POS terminal at store



360°



Member App



Matas.dk

TV Commercial



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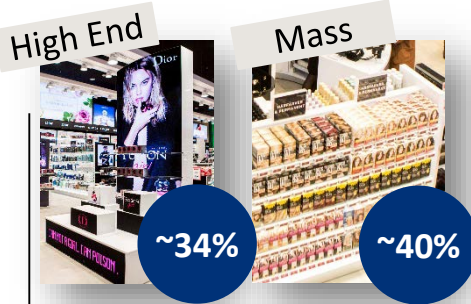
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Matas stores with 4 shop in shops and high share of private label

Beauty shop



- Selective skincare
- Selective makeup
- Selective fragrances, woman
- Selective fragrances, men
- Beauty skincare
- Beauty makeup
- Beauty private label (Striberne)
- Hair care & colour
- Lips & Nails

Vital shop



- Health & Supplements
- Vitamins & Minerals
- Diet & Weight loss
- Food

Material shop



- Foot Care
- Baby & Children
- Mouth Care
- Intime Care
- Sports Care
- Electrical
- House & Garden

MediCare shop



- MediCare OTC

Several Private Labels & Exclusive Brands (~19% of total sales)

Own brands: Striberne



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Exclusive brands: Rimmel



Customer centricity to drive increased attractiveness

A sharpened Matas offering based on customer needs ...



Build signature profile

Become "famous" for categories which are top of customer's mind

Strengthen uniqueness of brand portfolio

Introduce new, trendy, exclusive brands

Use private label

As key differentiator

Drive inspiration and engagement

Impulse, seasonal offering, novelty offer

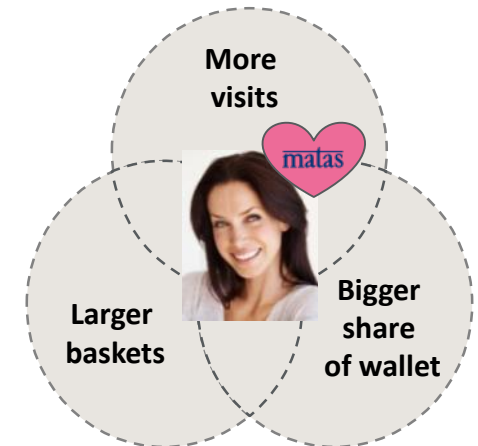
Build depth where needed

Manage number of SKU's based on performance and customer needs

Customer centric Category Management

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... will drive customer loyalty and sales



Sales uplift

The customer centric model



- **Differentiated individual goals, targets and strategy** by category
– "this is what we want to achieve in this particular category"
- **Offer driven by true understanding of customer needs** and linked to category strategies
 - "Pull" from the customers rather than "push" from the suppliers

Implementing customer centricity

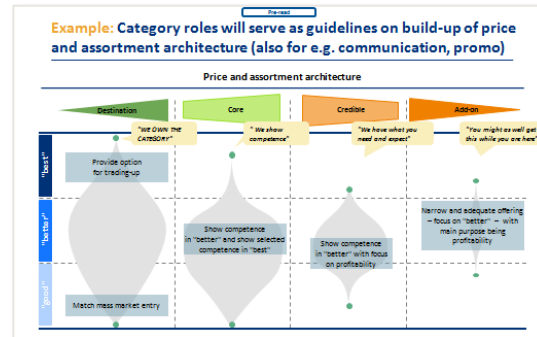
A Product hierarchy, with the customer as starting point



Selective	Beauty	Vital	MediCare	Material
1	1	1	1	1
2	2	2	2	2
3	3	3	3	3
4	4	4	4	4
5	5	5	5	5
6	6	6	6	6
7	7	7	7	7
8	8	8	8	8
9	9	9	9	9
10	10	10	10	10
11	11	11	11	11
12	12	12	12	12
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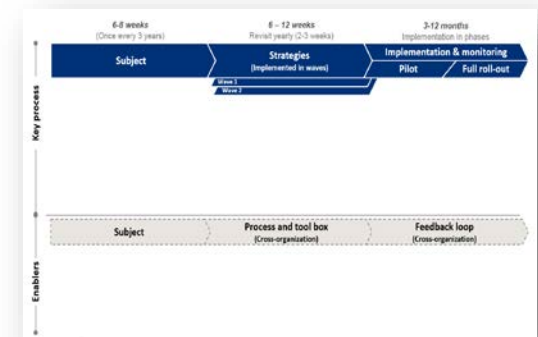
Need to define product hierarchy based on customer needs

B Differentiated category targets; 'Best where it matters'



Defining strategic roles to categories with explicit targets and KPIs for each category

C Implement Customer- driven Category Management process

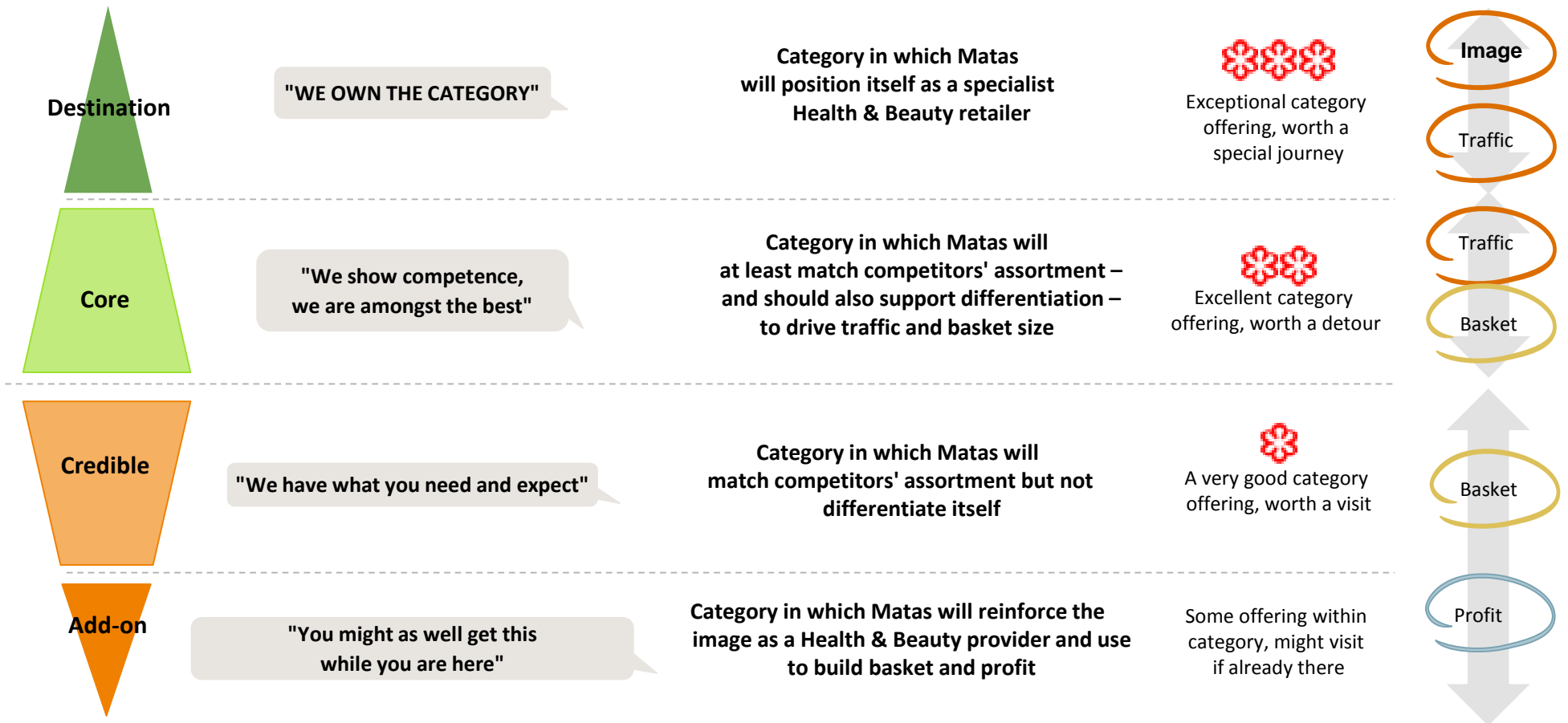


Working according to new process, with new targets and customer centricity implemented in process, with deep customer insights

In Matas we work with four distinct strategic category roles

Category role

Drivers



Category roles impacts key strategic levers

Main levers

Destination

Core

Credible

Add-on



Assortment



Price



Promotion



Spacing/Displays



Services



Marketing/comm.

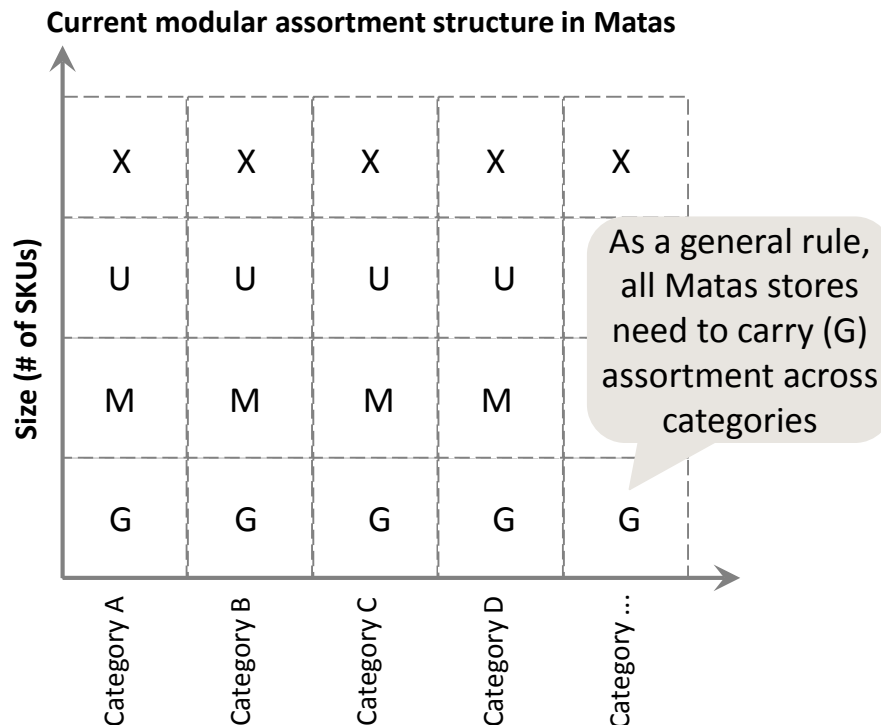
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Assigned category roles set the direction



Differentiated store build up to improve the shopping experience

As the average Matas store is ~187m²,
space allocation across stores is key



More differentiated store build up improves experience further



Potential to differentiate build up of stores to improve competitive position and shopping experience

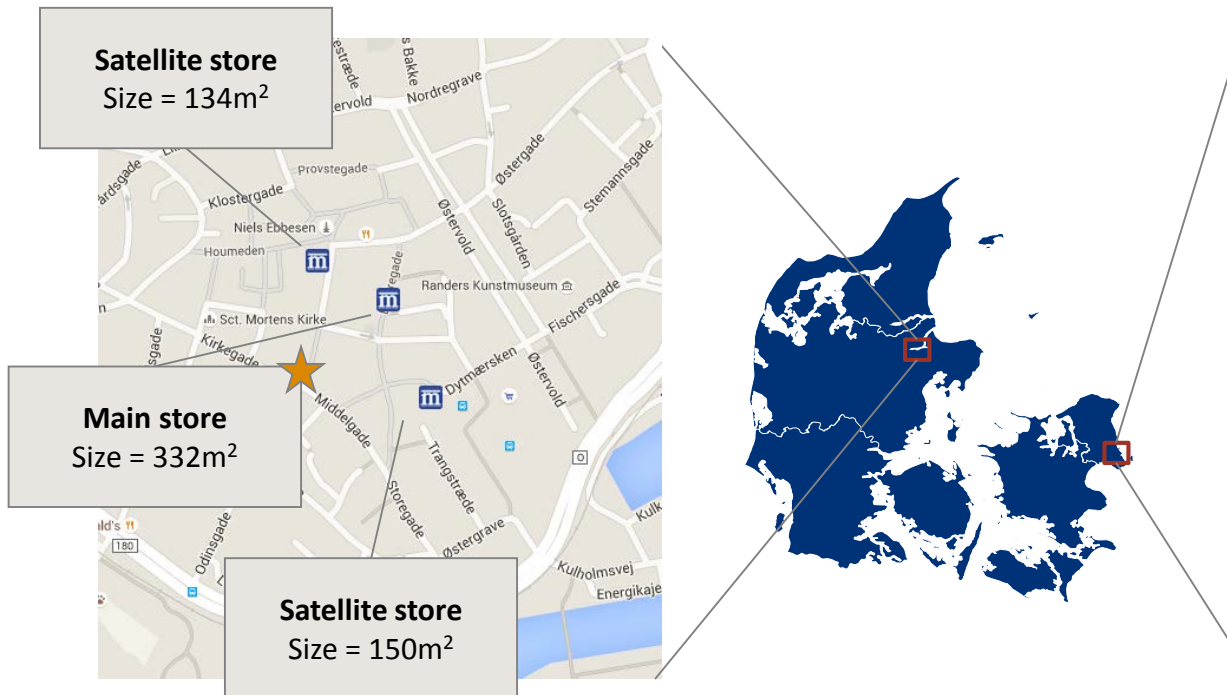
- Already modular store build-up
- Trade-off between broad vs. wide assortment guided by competitive intensity and store role

Modular build up of assortment and strong data foundation

Example store classification

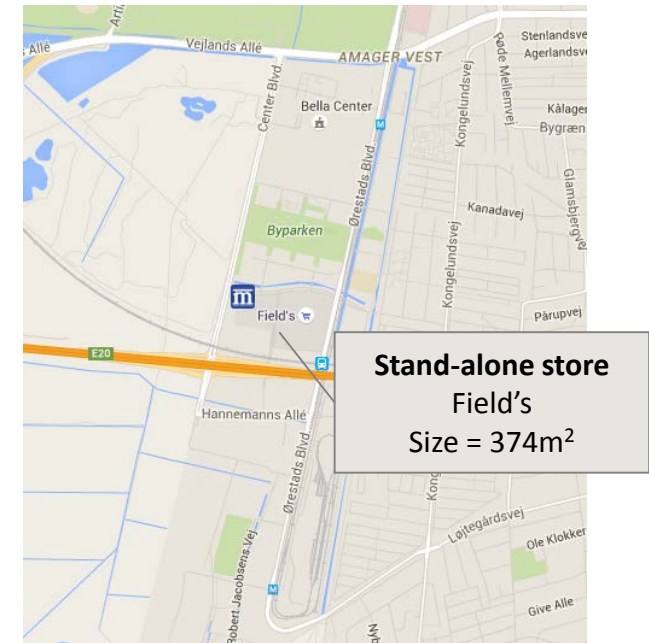
Main store and satellite stores

Example

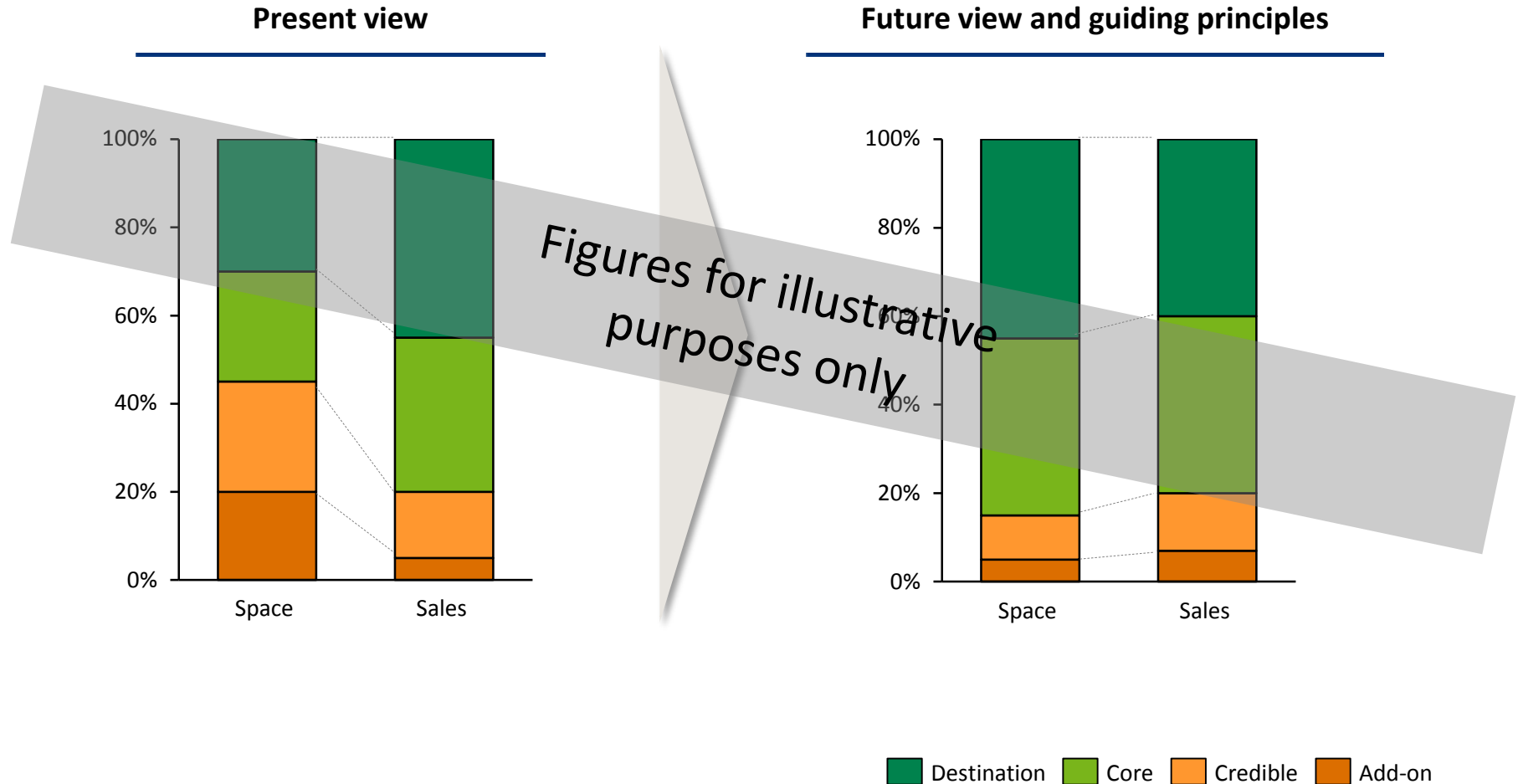


Main store, stand-alone

Example



More attention to destination and core categories



Private label and exclusive brands are key to support Matas CVP

Private Label as a differentiator



Differentiate, drive margin

Brand portfolio/exclusivity of brands



Differentiate, drive excitement, image

Potential to differentiate through Private Label and Exclusivity

1

Differentiate Matas' offering

- Differentiate Matas from competition with exclusive brands and private label – ultimately enhancing customer loyalty
- Support Matas' CVP of 'brands you do not find elsewhere'

2

Create strong value perception

- Ensure an attractive entry price point to support Matas' CVP with fairly priced products (value, trusted)

3

Secure strong margins and control

- Higher margins relative to branded products
- Shift power of control from supplier to Matas

Striberne
100% OMTANKE

= Destination

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Potential to boost excitement elements in stores

Five selected elements



Events

Option to engage and create a 'buzz' through events



Cross-sell merchandise

Cross-selling based on customer need, to guide shopping



Impulse shopping

Impulse options potential to enhance



Novelty products

Play novelties to larger extent



Season & themes

Allocate additional resources to seasons and themes

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- ***Break 10.40***

- Matas Omni Channel
- Store Network
- Financial Considerations
- Q&A

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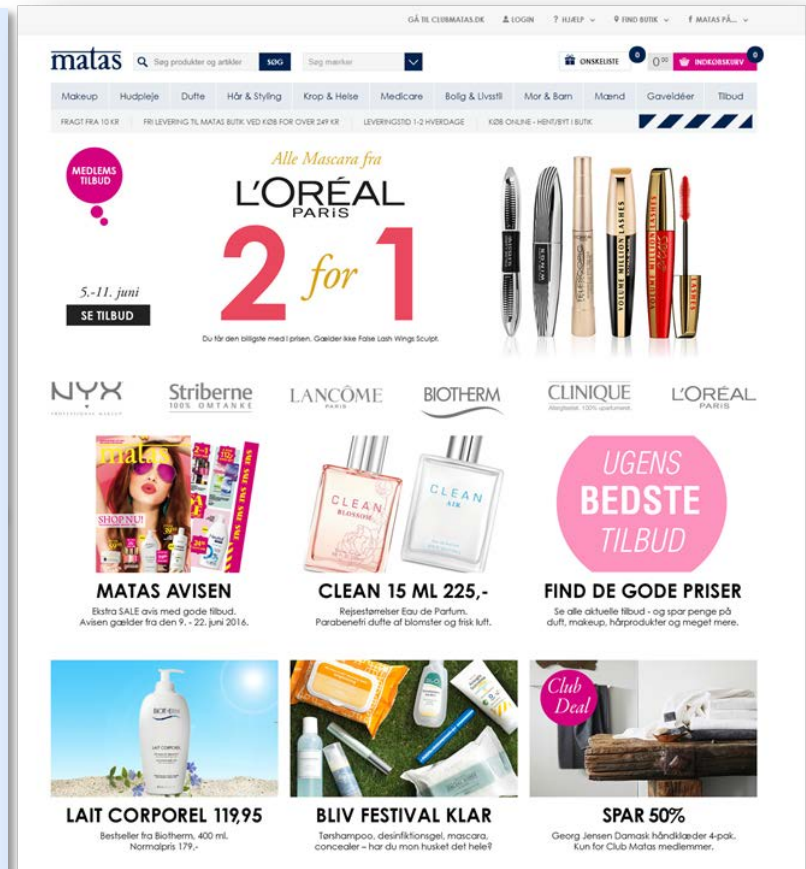
Michael Wassmann, Head of Ecommerce

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Matas.dk – The largest Matas store

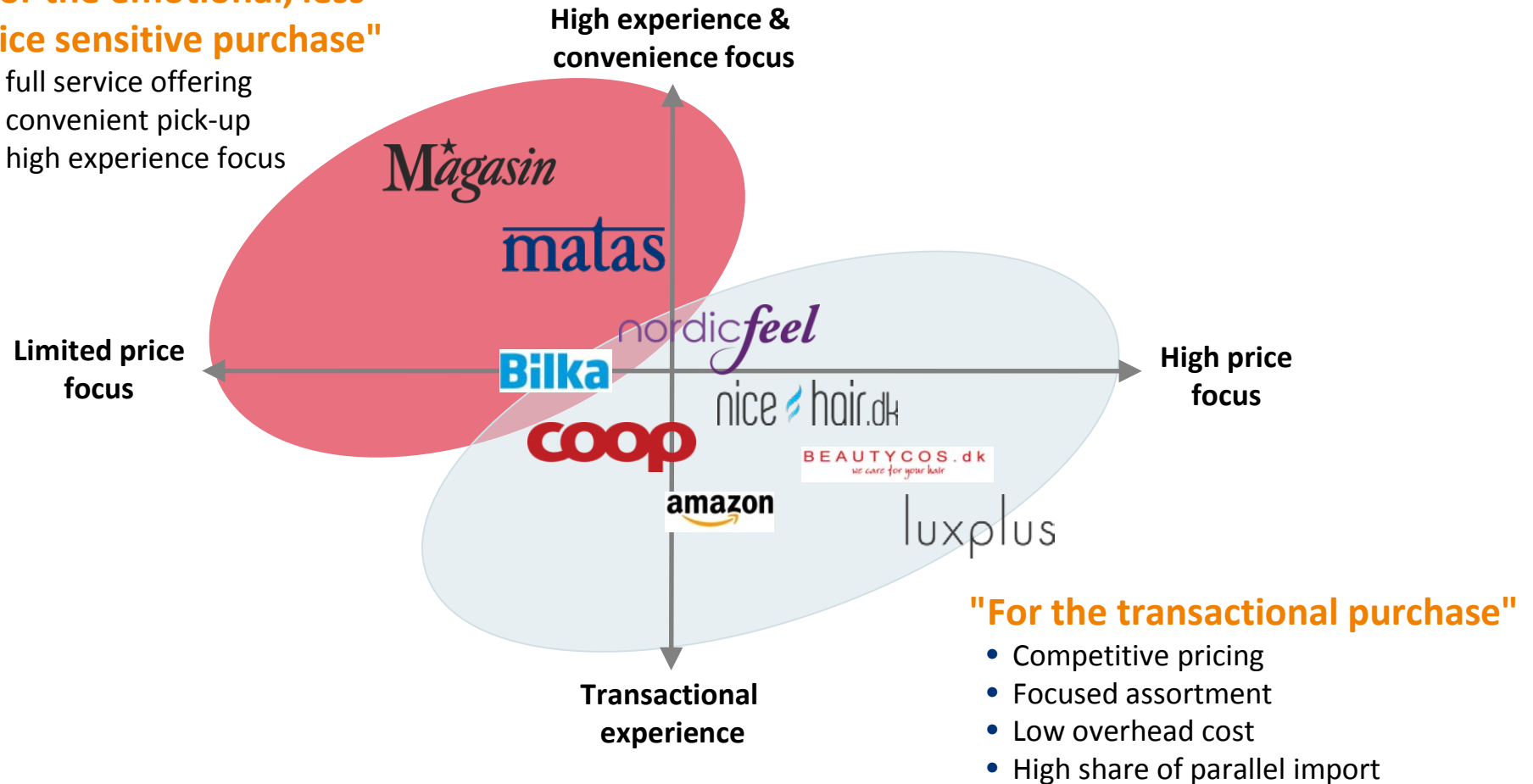
- Matas.dk has 1.4 mio. visitors per month
 - both shoppers and customers looking for information or doing research
- 19.000+ SKUs in stock
- 600+ brands
- We on average take 1.1 day to deliver an order
- Ecommerce was ~2% of total Matas sales in 15/16 with rapid growth
 - >25% growth in ecommerce sales last year



Matas Ecommerce – Market positioning

"For the emotional, less price sensitive purchase"

- full service offering
- convenient pick-up
- high experience focus



"For the transactional purchase"

- Competitive pricing
- Focused assortment
- Low overhead cost
- High share of parallel import

Matas Ecommerce assortment strategy

Matas.dk - Main categories:

- Endless aisles possibilities, which can supply width and depth to the assortment



Selective
Beauty



Mass Beauty



Matas MediCare



Vital, Material
& MediCare



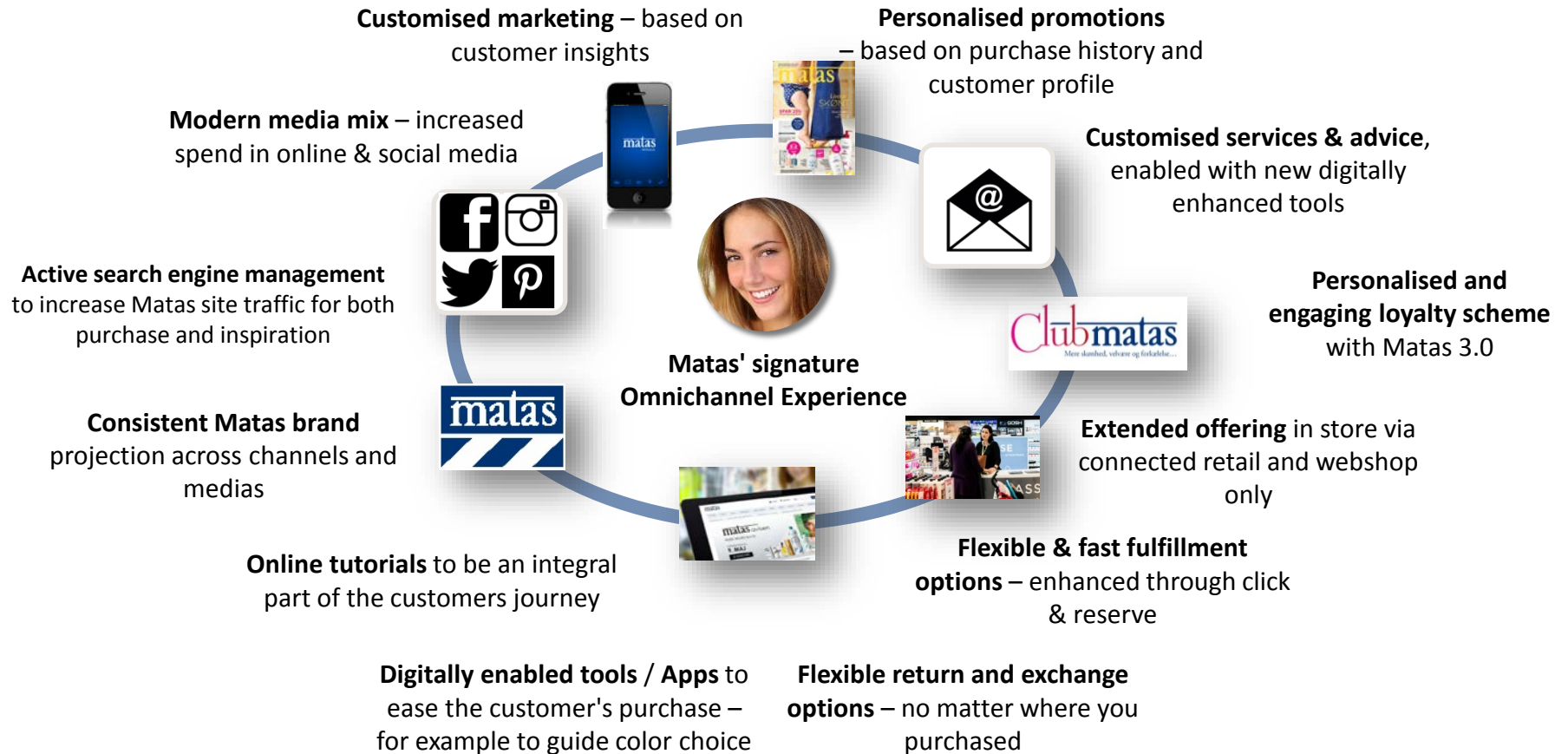
Online only

Matas Ecommerce assortment strategy – Online only category

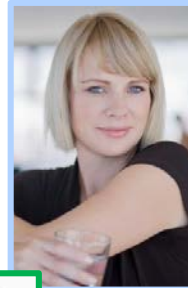
- Related product categories and niche assortments within or related to the core business



Omni channel: Seamless integration of all touchpoints



Matas Connected Retail and Click & Collect



Buy online

Pick up in Matas store
or choose alternative delivery

Web sales "floor"



Top 100 stores

Online sales cashier



850 cashiers
in ~300 stores

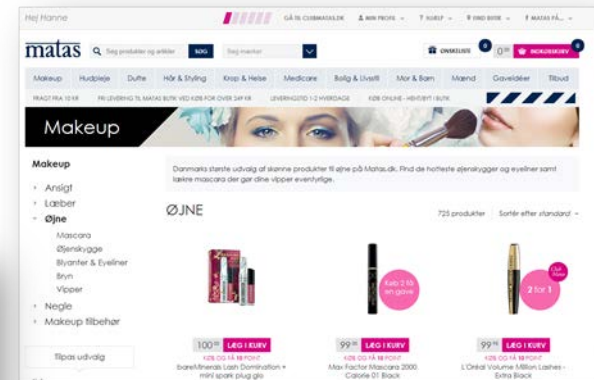
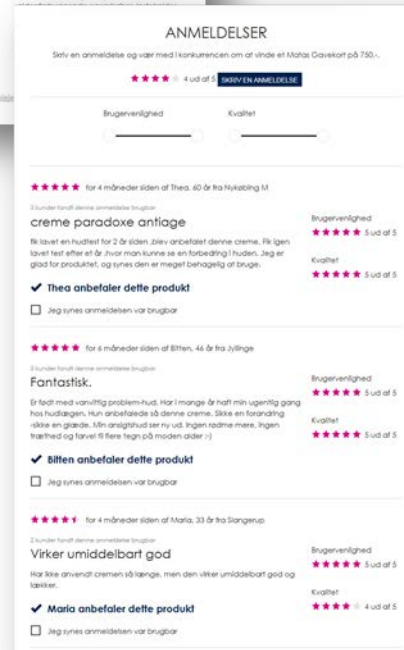
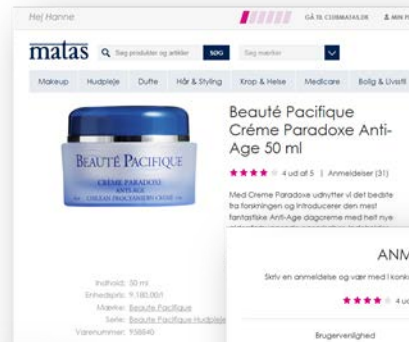
Buy "everything" in your Matas

Staff will assist. Pay now and choose
delivery in the store, at home or at drop-point

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Matas Omni channel experience

- Exchange and return in all Matas stores
 - Building on strength in combining online and brick & mortar presence
- Personalisation of the ecommerce platform
- Product ratings & reviews
- Content marketing



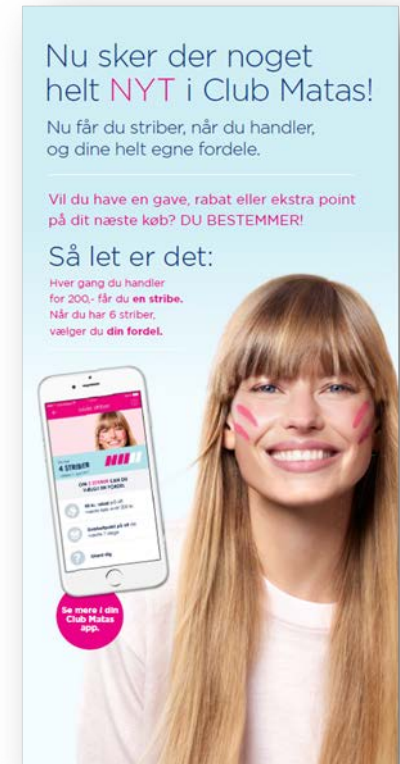
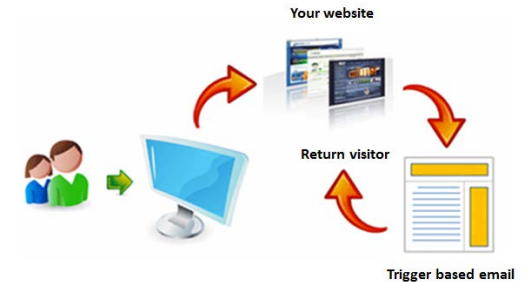
Matas Ecommerce set-up

- Ecommerce is profitable on a stand alone basis, but not as profitable as the stores
- We are working to decrease the profitability gap and making sure the backbone of the web shop and the logistics set-up can cope with expected growth for next 3 years
 - Optimising logistics
 - Optimising distribution



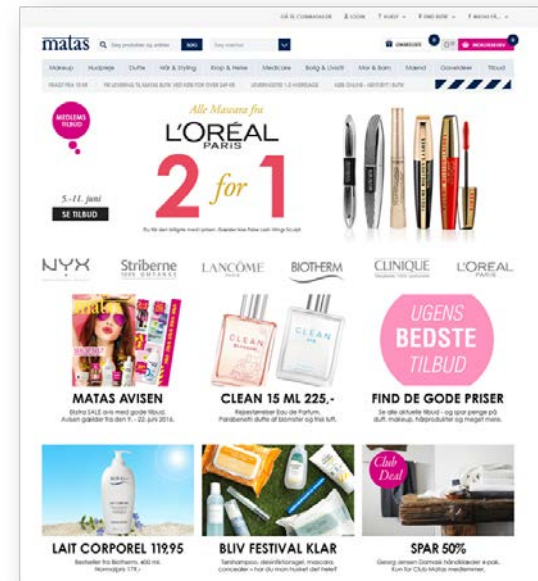
Matas Ecommerce: Next steps and ambitions – short term

- Introducing trigger based email marketing
- Establishing online chat function
- Further connecting offline data and online data – to fully exploit of all our data
- Club Matas 3.0 integration
- Developing "Click & Reserve"
 - Making it possible to online reserve goods to be picked up within hours at your favourite Matas store
 - Will increase both value to customers and profitability
- Increasing share of voice through investments in online marketing to acquire new customers



Matas Ecommerce: Next steps and ambitions – medium term

- Comparable market position online vs. offline
 - Becoming the undisputed online market leader
- Full Omni channel experience; Seamless integration between online & stores, with holistic focus to drive sales for Matas – independent of channel
- Full customer journey ownership, influencing purchase decision by activity across customer touch points



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Ensuring a world class store experience is crucial

Continued optimisation of the network and roll-out of the new store concept is critical...

1 Store Network

- Continued optimisation of the store network, which will have approximately the same size in future
- On-going analysis of expansions, store mergers and moves of stores in accordance with changing retail patterns

2 New store concept

- A simpler, more engaging and inspiring store experience
- Refurbishment of top 30-40 stores to a contemporary and modern lay-out and upgrade of next tier stores

Focus today

3 Sales Excellence

- Invest in the sales organisation to further drive sales excellence and world class store operations
- Up-skill store managers further

... to support the CVP

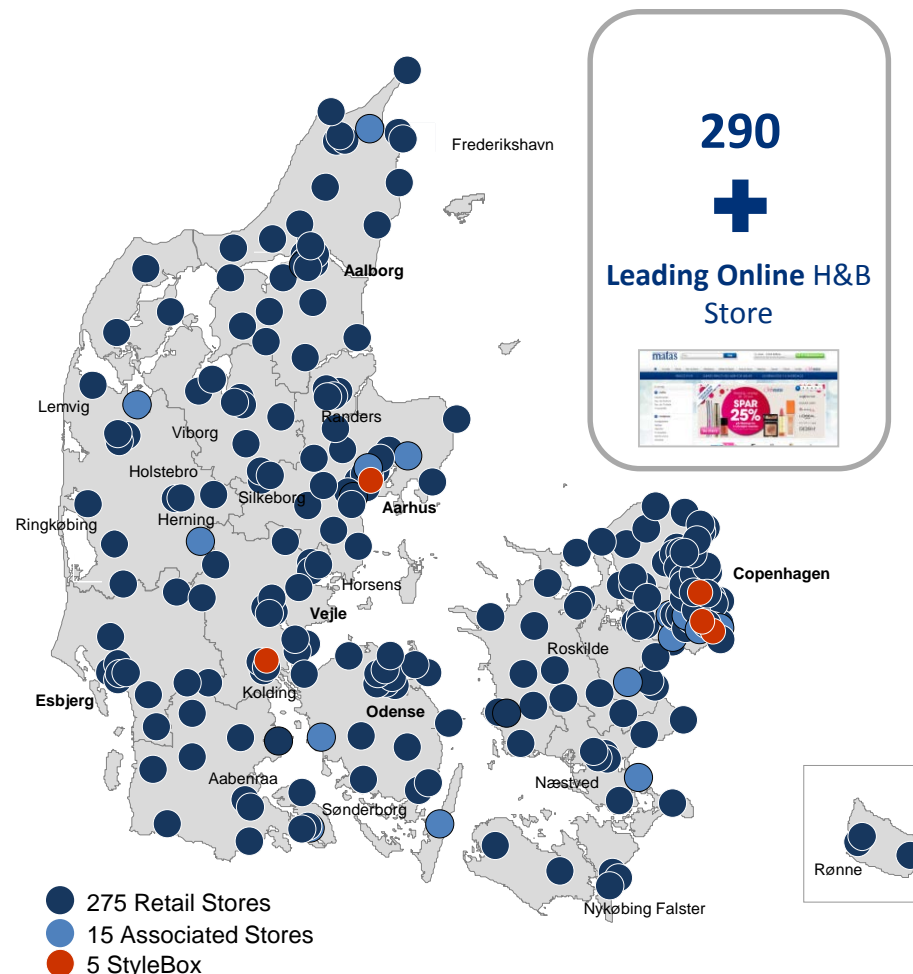
Matas' CVP



★ Elements of the CVP most affected by the initiative 'world class store experience'

Store network is unmatched and delivers strong performance

Unmatched Store Network⁽¹⁾



- Nation-wide coverage with prime retail locations in every large city and many smaller town on the high street and in shopping malls
- Strong performance across the entire store portfolio – business model with larger anchor stores supplemented by smaller stores still works really well
 - Store location often more important than size as impulse purchases and convenience is a key sales driver
 - Many customers still prefer to shop locally and love ‘their Matas store’

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1. Map shows Matas Store Network including Associated Stores, but excluding the associated store in Nuuk, Greenland, and our own retail store in the Faroe Islands. Matas Store Network totals 290 physical stores, with 275 Danish Retail Stores and 15 Associated Stores. In addition to this, the Matas brand has one webshop, and the Group also owns the StyleBox concept with five stand alone physical stores, a shop-in-shop and a webshop

Successful business model with anchor stores and smaller stores

Anchor Stores
250-450 m²



- City stores located in high footfall areas, typically on high streets in larger cities or in shopping centres

Smaller Stores
100-250 m²



- Smaller city stores located near an anchor store

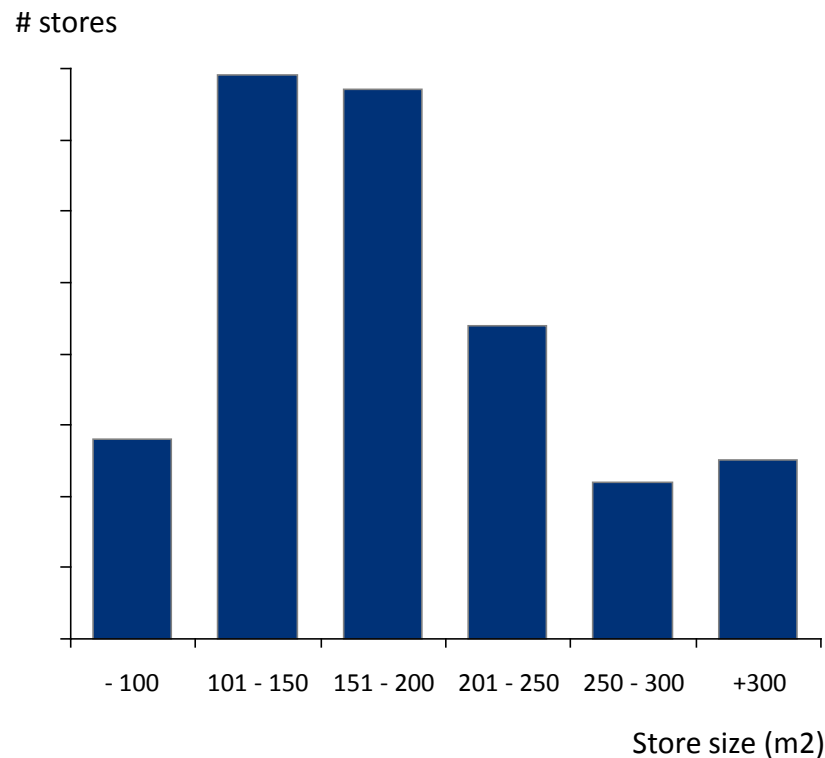
Local Stores
100-250 m²



- Small town stores

Store portfolio varies in size to serve customers best

Average Matas store is ~190 m²



- Optimal size of a Matas store depends on sales potential in the catchment area and varies widely
 - Store size varies from 50-450 m² with an average of ~190 m²
 - Full presentation of Matas' concept and full assortment requires around 250-300 m²
- Smaller stores offer convenience
 - Now also access to full assortment via connected retail
 - Many customers are reminded of a dormant need when passing a store

Wide store network is a valuable asset and priceless branding



- The branding value of the nation-wide store network is significant
 - Prominent visibility in prime locations across Denmark
- Physical retail stores will not disappear despite continued growth in online sales
 - Stores offering an integrated omni-channel experience will continue to be a key part of the customer journey
 - Instant product availability is valuable to customers, as is the possibility to smell, feel and test new products
- In case of liberalisation of the pharmacy sector, the national store network holds even greater value

Retail patterns are evolving

- The demographic shift from smaller towns to the larger cities continues
- Nevertheless, we believe in sustained potential in smaller towns and have a proven business model, driving such stores profitably
 - Low cost base
 - Convenience
 - Breadth of assortment
- Customers increasing expectations to the store experience also has implications for the physical lay-out of the store

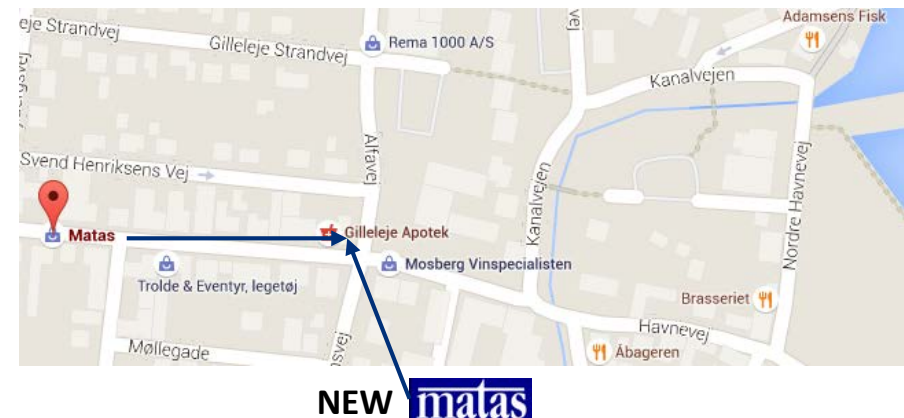


Active store portfolio management

- We continuously monitor store performance and evaluate whether to close, expand, merge, or relocate stores
- Stores are tagged for expansion, merger or relocation and opportunities actively pursued
- We assess potential and evaluate opportunities for new store openings, taking into account:
 - Demographics and future outlook
 - Presence of other traffic driving stores, such as supermarkets and specialty stores
 - Level of competition and cannibalisation
- Location and accessibility is assessed carefully, i.e. whether it is a prime location with high footfall, parking facilities etc.

Case: Move of Matas in Gilleleje

Attractive Location with high visibility



Larger store, expanded from 75 m² to 133 m²



Store network will have roughly the same size in future



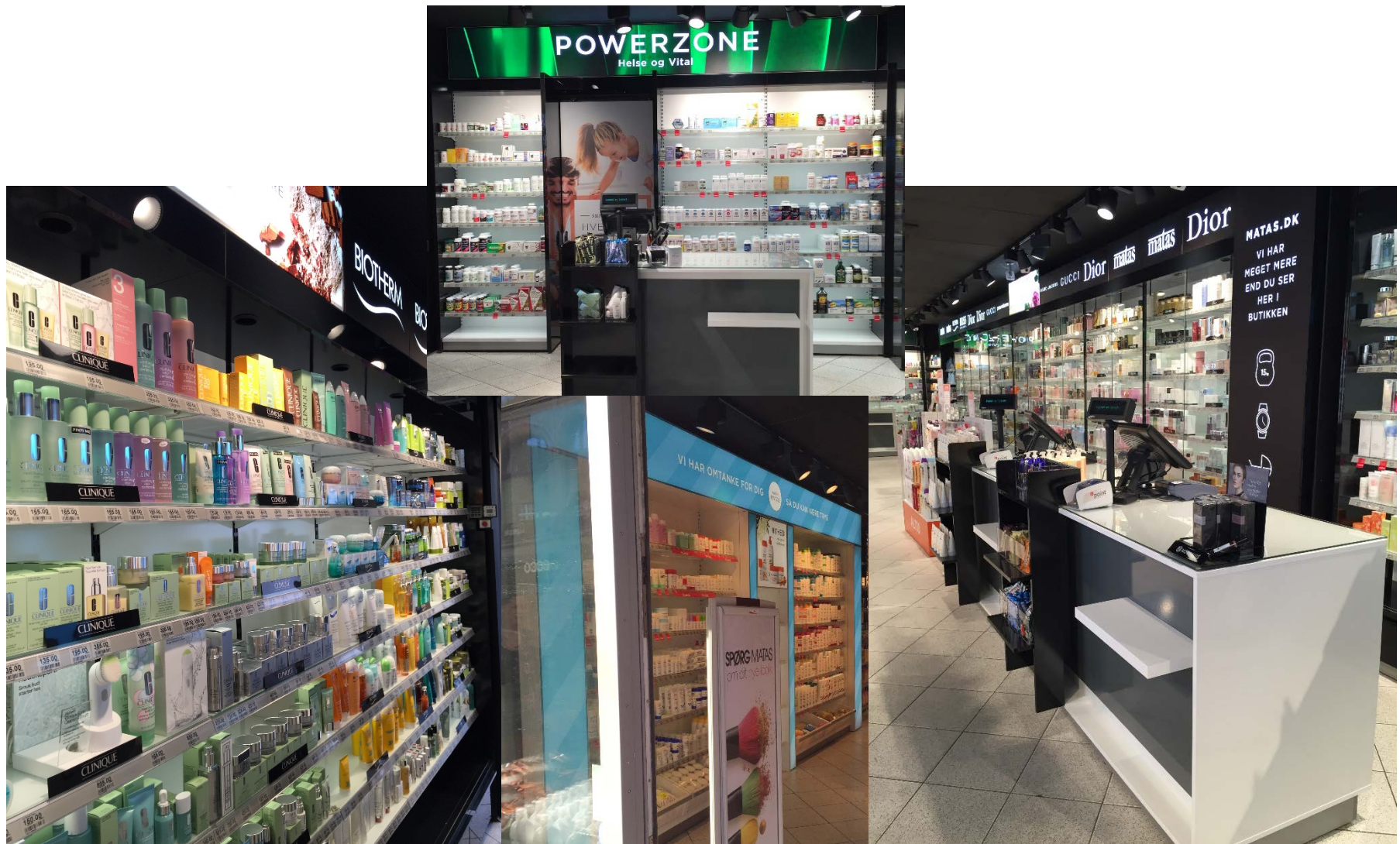
- In future, customers will still experience that the nearest Matas store is close by
 - In all larger cities and malls we will continue to have anchor stores with full concept presented and full assortment
 - Smaller stores continue to play a key supporting role, offering convenience – and a few more will be opened
- Some expansions and mergers of stores lead to slightly larger stores on average
- Significance of associated stores will continue to decrease – 4 have been acquired over the last 3 months

New concept store – Bruuns Galleri



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New concept upgrade of small store – Købmagergade 55



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Selected concept store elements – I



Selective universe

- Clear branding and easy navigation – focus on novelty products
- A complete selective make-up area with mirrors
- Customers can touch and test products themselves



Mid-range cosmetics – Makeup lab

- Concert/ stage theme to create a natural link for the customers to situation in which the make-up will be used
- Makeup tables and 'play zone' to test the products and engage customers in a fun experience
- Stronger expression with more light, colors and louder music



Made by Matas

- Strong, branded presentation of private label products
- Visual lift, with simple expression and feminine touch
- Light and easy layout to signal purity, responsibility and trust in accordance with our CVP

Selected concept store elements – II



Impulse shopping

- Impulse products placed at every register
- Inspiring customers with seasonal and novelty products - new impulse assortment being tested



Navigation

- Navigation signs on all gondolas
- Large navigation light boxes above wall fixtures
- Branding and navigation on all Made by Matas gondolas



Facade and window

- More open facade
- Better and more unobstructed view into the store
- Simpler expression and more light

New concept – learnings so far

- Overall, satisfactory performance in two test stores, Fields and Bruuns Galleri
 - Sales growth demonstrated in selective universe where assortment is available for customers to test, touch, smell and feel products
 - Make-up has significant potential to drive traffic into store – mirrors are used extensively – and make-up accessories category has further potential
 - Differentiation necessary depending on store location and customer base
- We have had some learnings, and have already implemented changes in the two stores, such as
 - Tweaking of impulse furniture
 - Abandoning round check out desk
- Refurbishing more stores will generate further learnings that will be used to tweak the concept – and implemented right away



30-40 stores will be refurbished over the coming years

Refurbishment of top 30-40 stores

Refurbishment of top 30-40 stores over the next couple of years

- Learnings incorporated from first two test stores, e.g. impulse concept has been tweaked
- Two more stores planned for refurbishment in the Fall

Upgrade of next tier of stores

Facelift of next tier of stores concurrently

- Incorporating several elements of the new store concept, creating a consistent store experience for our customers
- Giving the stores a significant lift visually

On-going facelifts of smaller stores

On-going maintenance of smaller stores as usual

- Where possible, incorporating a few selected elements of the new store concept, creating a consistent store experience for our customers
- Focus on maintenance efforts that create the biggest (visual) impact

More of this ...



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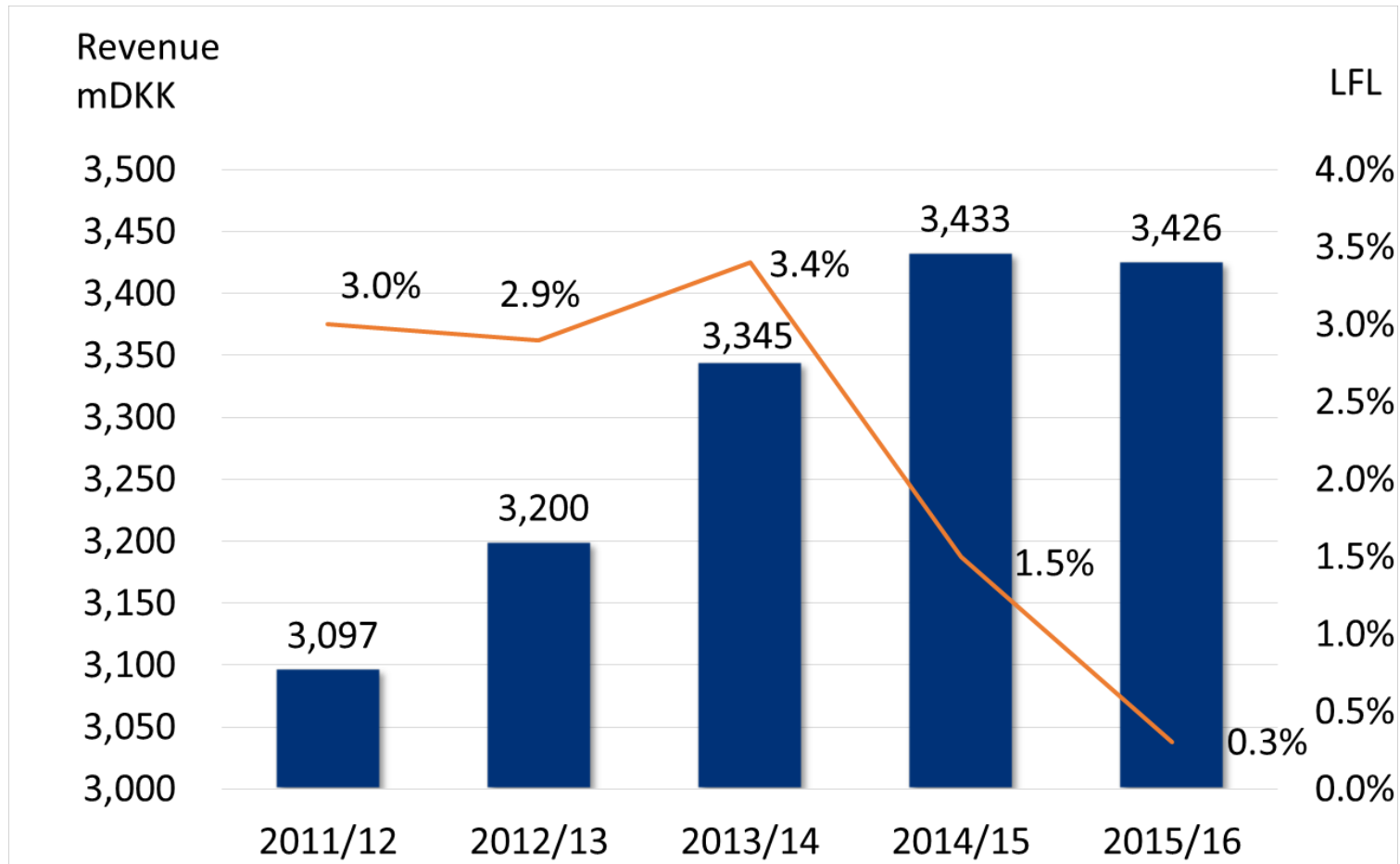
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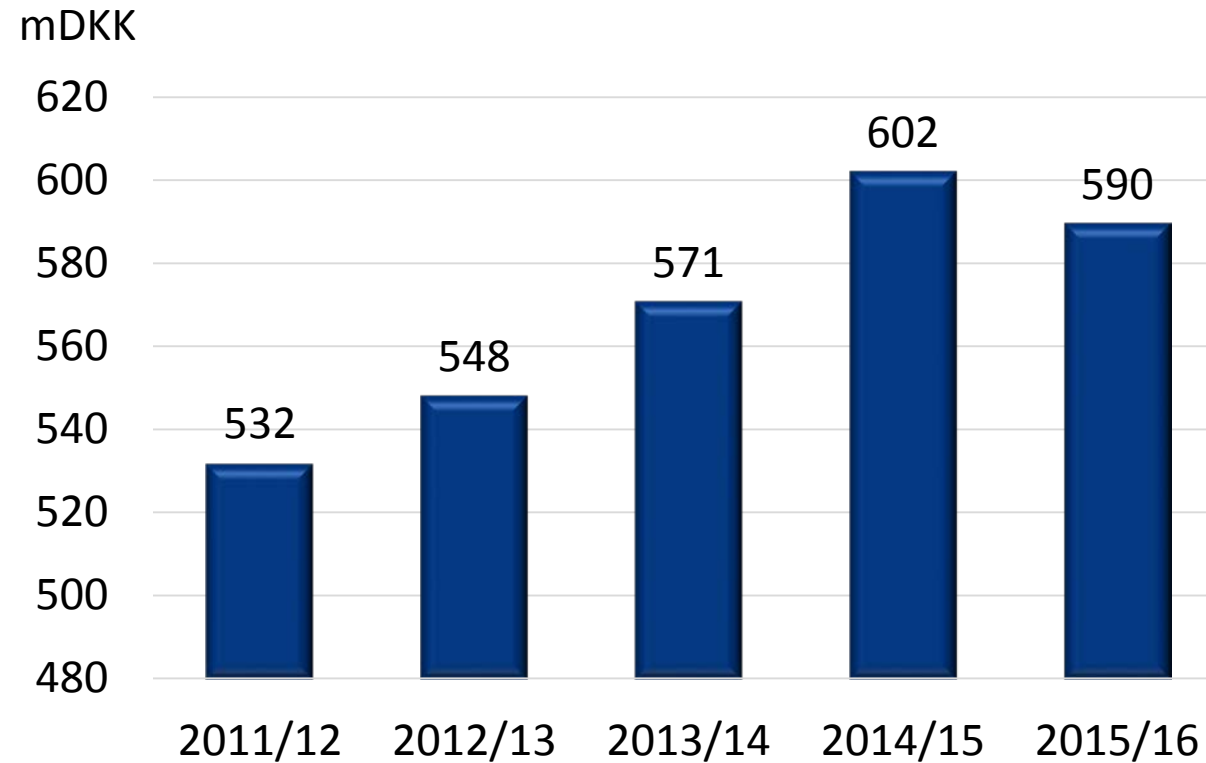
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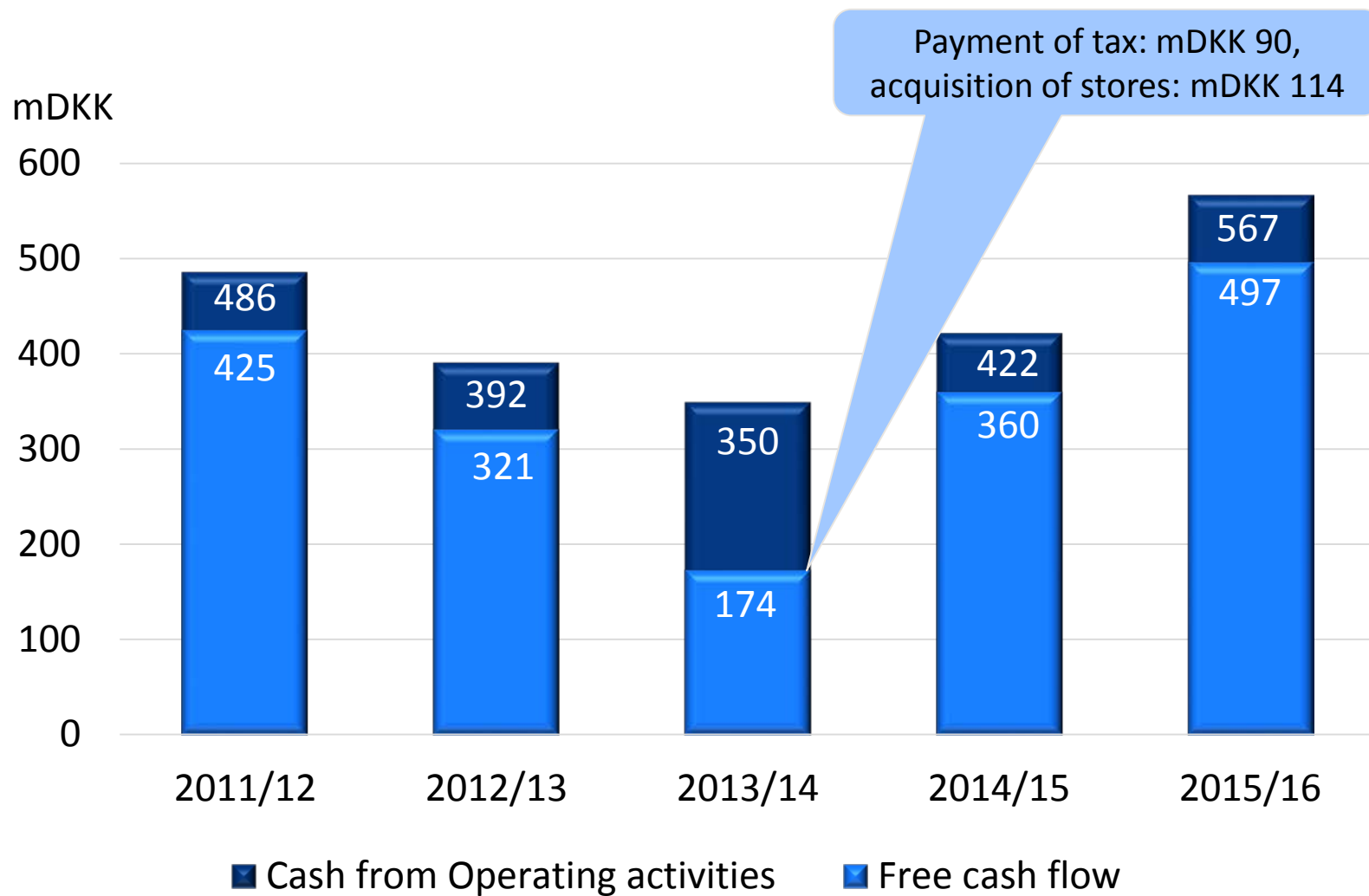
Revenue and LFL growth – Last five years



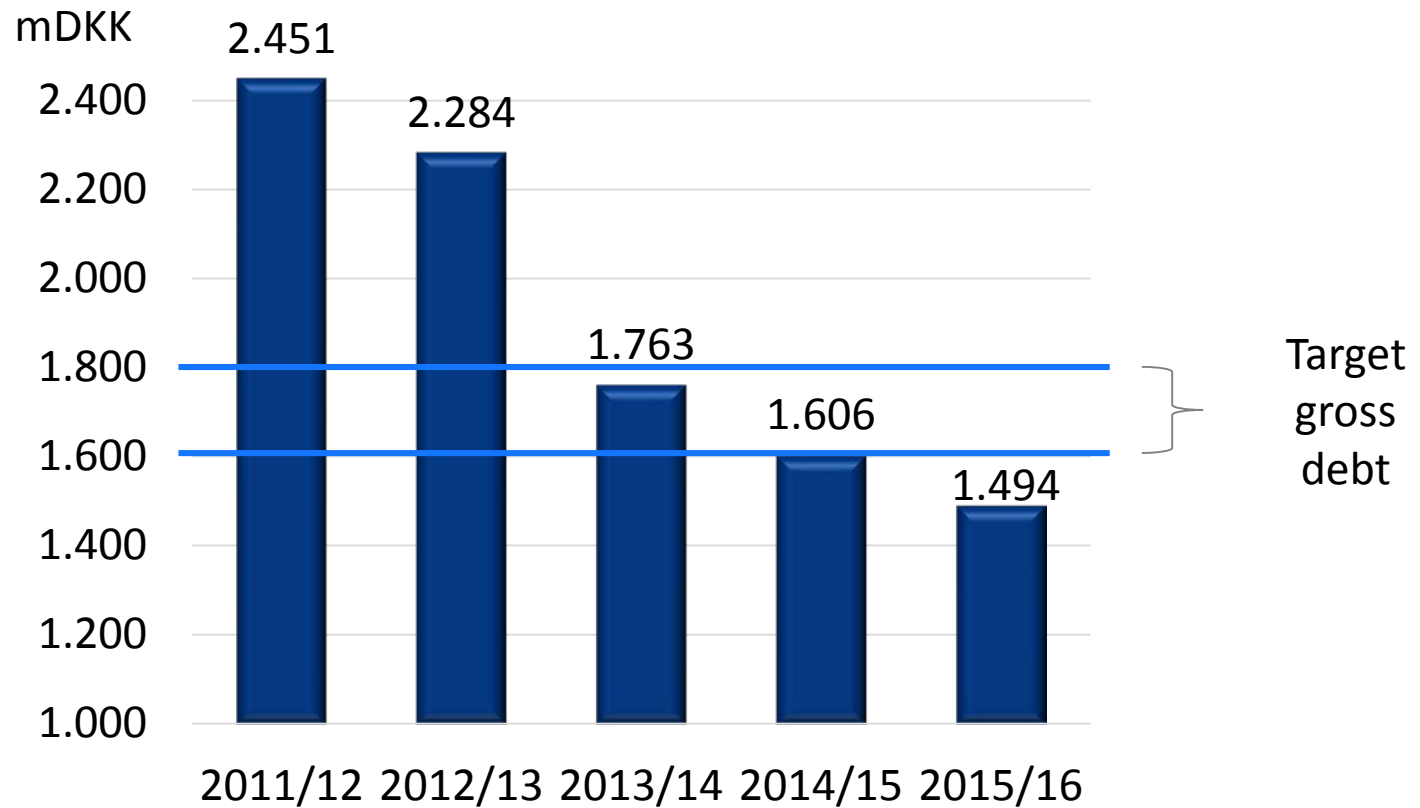
EBITA – Last five years



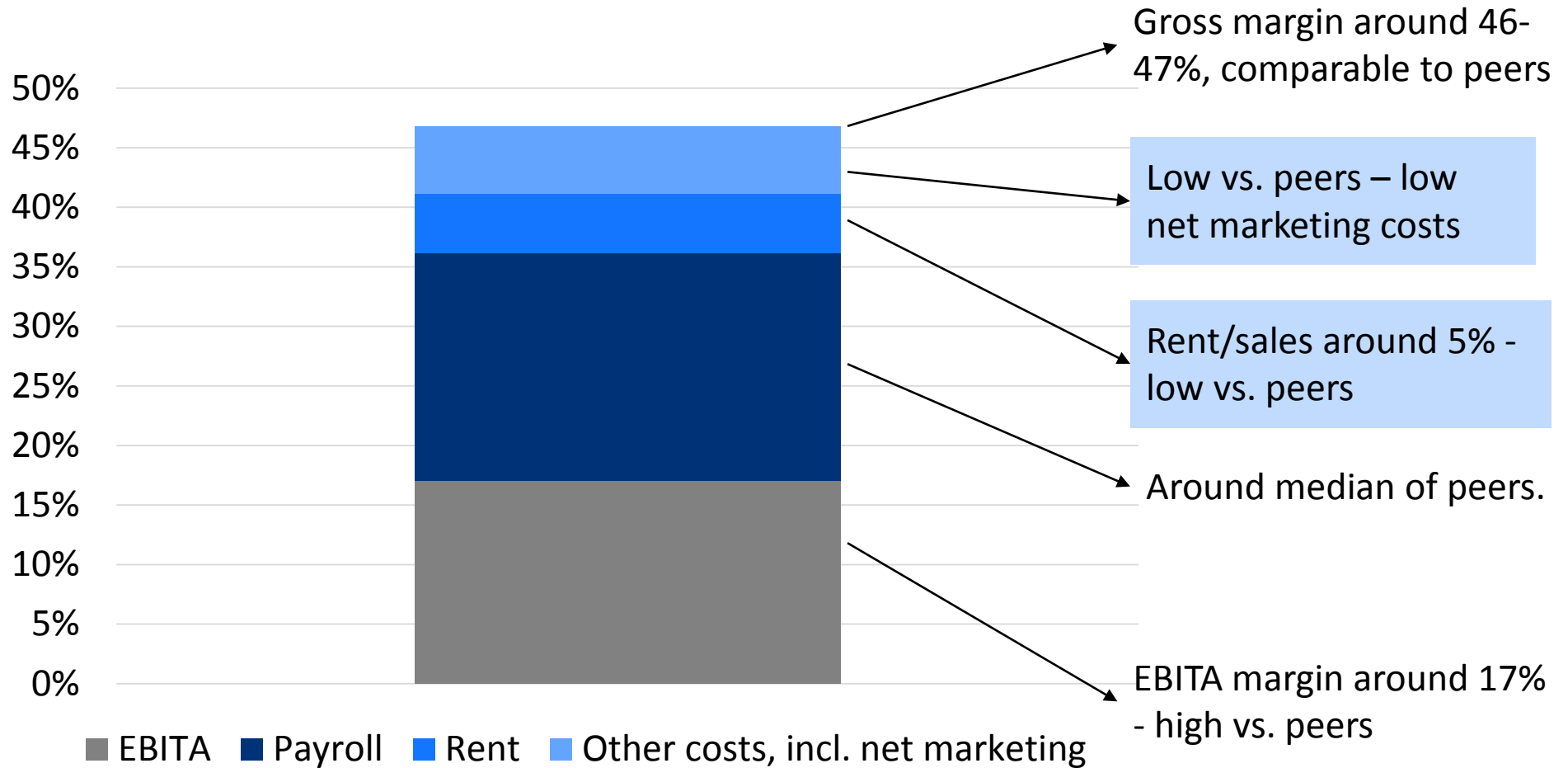
Cash Flow – Last five years



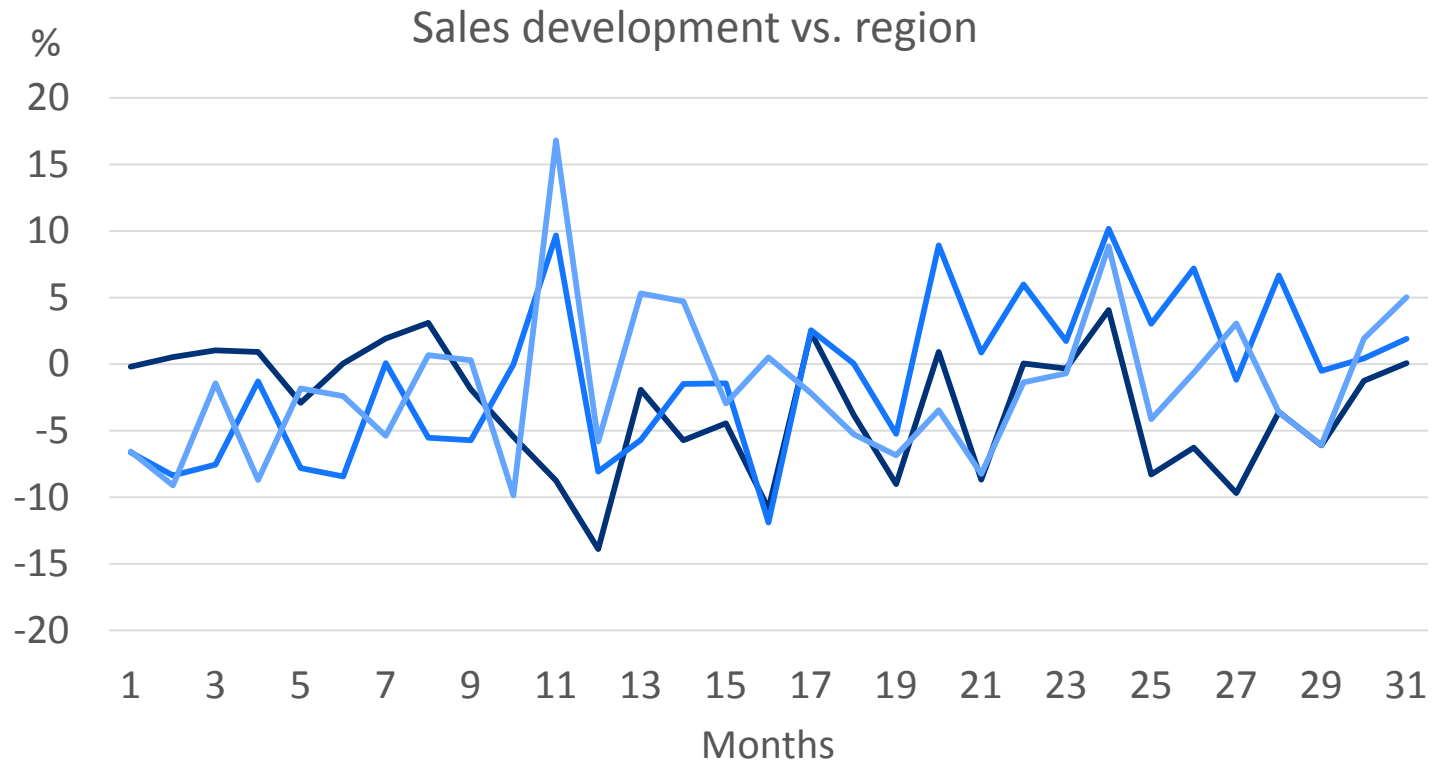
Gross Debt – Five years



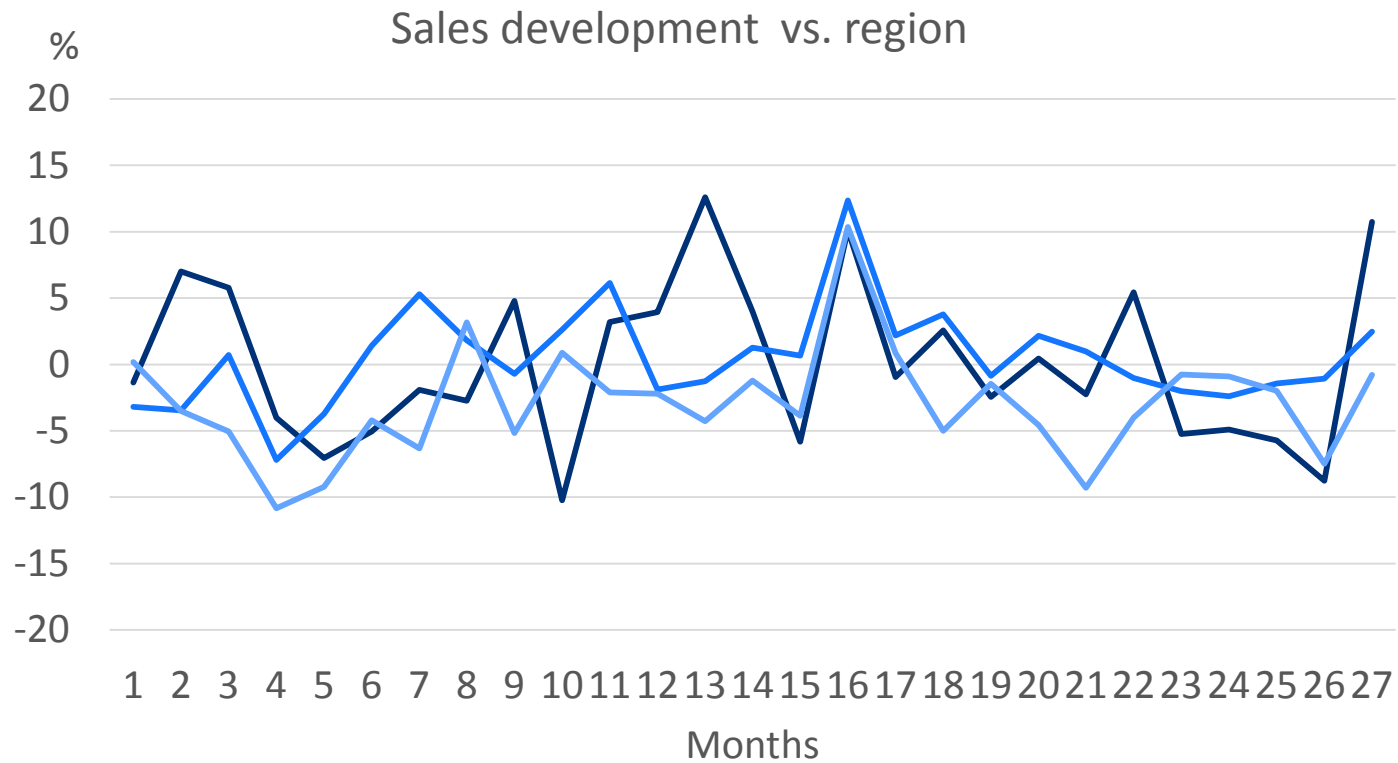
High profitability vs. peers



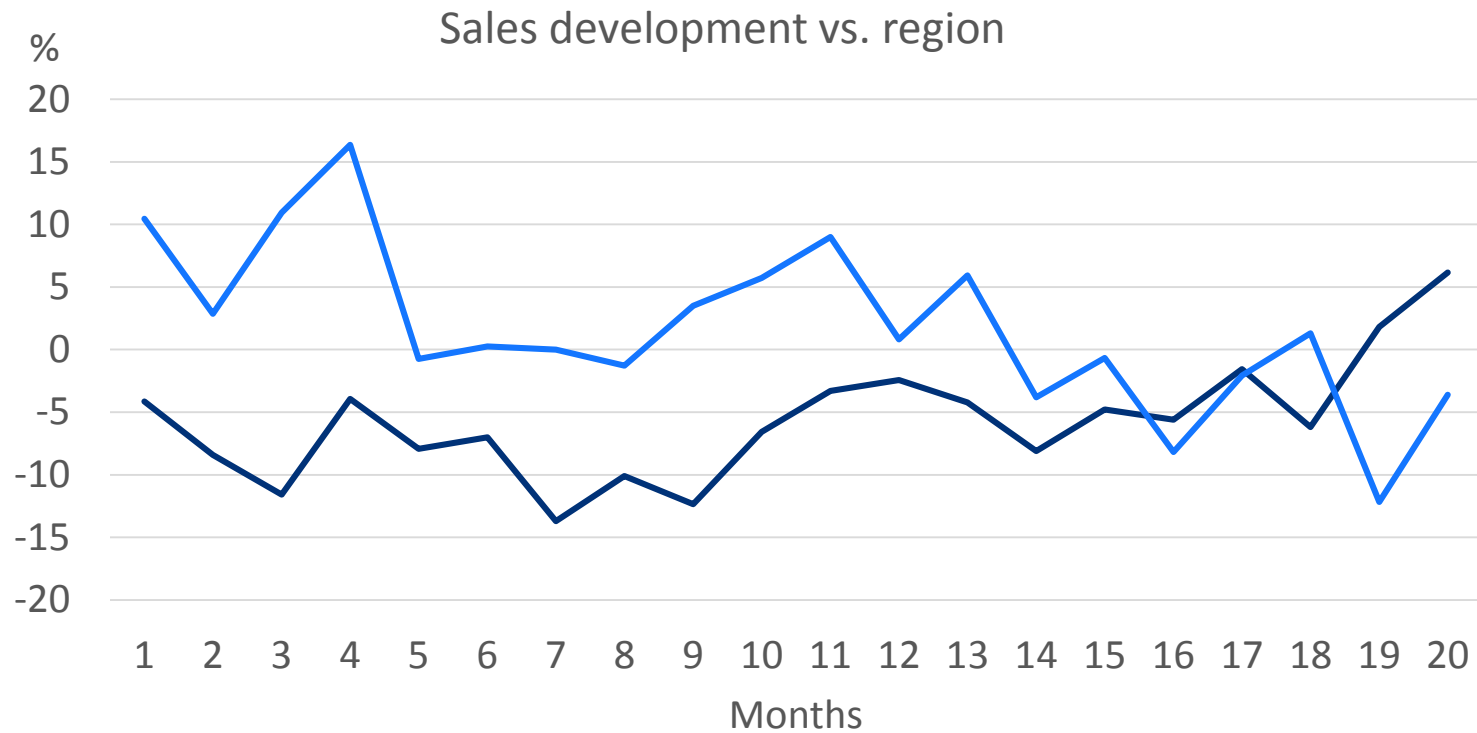
Competitive issues – spot Normal entry date – Town A



Competitive issues – spot Normal entry date – Town B

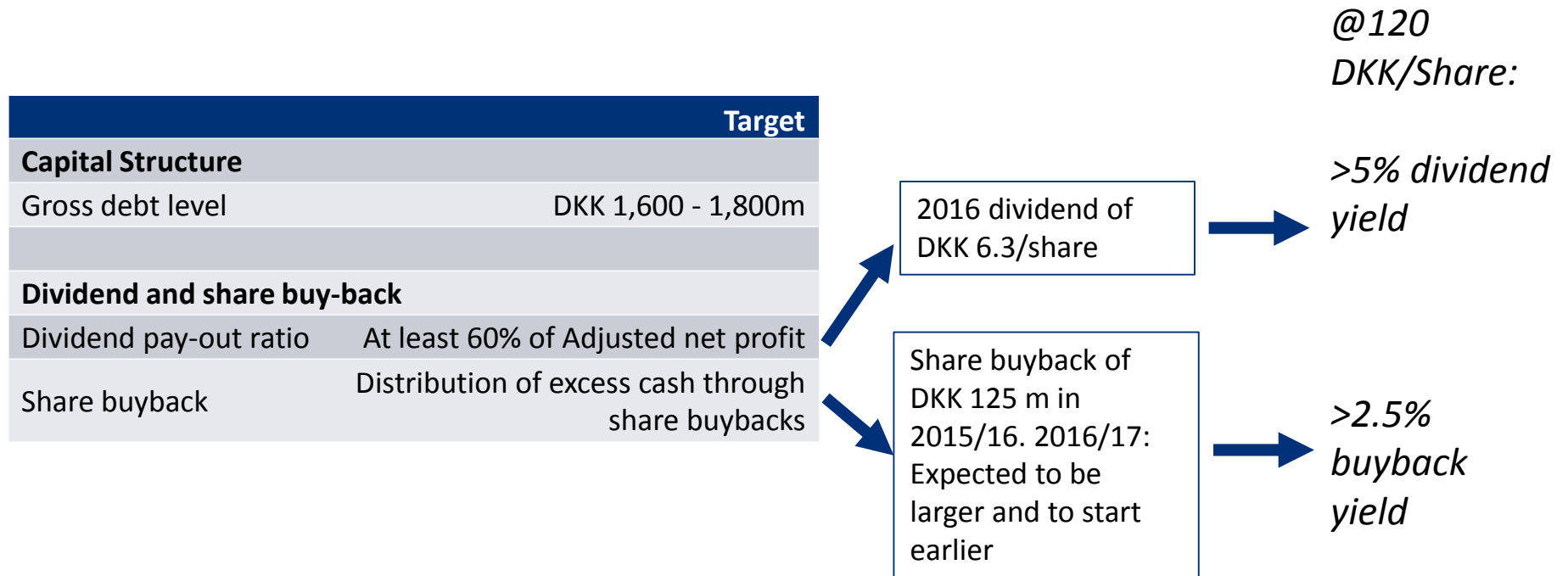


Competitive issues – spot Normal entry date – Town C



Distribution policy is of key importance to Matas

- Dividend and share buyback in line with capital structure policy



Gudiance unchanged

	Guidance 2016/17	Realised 2015/16
Revenue		
Like-for-like growth assumption	"between 1-3%"	0.3%
Earnings		
EBITA margin	"slightly below 17.0%"	17.2%

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Matas strategy house

Be the #1 retailer in
Beauty & Wellbeing across channels

'The destination for Beauty & Wellbeing'

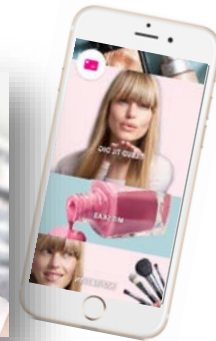
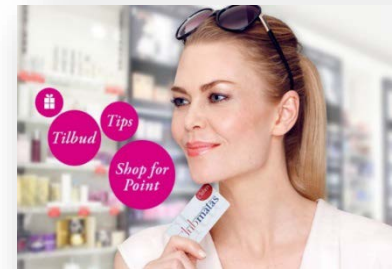
Customer centricity

- 1 Customer centric offering
- 2 World class store experience
- 3 Effective pricing & promotions



Digital leadership

- 4 Omni channel leadership
- 5 Full value of Club Matas



Employees: Continue to develop our staff, in stores and at HQ

Operating model supporting strategy

An organisation that quickly responds to trends and changes in customer needs – using customer insights.
Continued development of close partnership with suppliers to ensure marketing support

Q&A

