PANDORA
UNFORGETTABLE MOMENTS

No. 60
COMPANY ANNOUNCEMENT
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INTERIM REPORT FOR Q1 2012

GROUP REVENUE WAS DKK 1,424 MILLION. EBITDA MARGIN WAS 28.2%. NET PROFIT WAS DKK 338 MILLION. REPORTED NUMBERS IN LINE WITH EXPECTATIONS AND AS EXPECTED ADVERSELY AFFECTED BY STOCK BALANCING CAMPAIGN.

The implementation of the strategic review is on track and during Q1 2012 the Company executed on both the stock balancing campaign and the realignment of price architecture and product range as planned. The reported numbers in this interim report are in line with our expectations, but as expected adversely impacted by the effect from the stock balancing campaign launched on 21 February 2012. Please see PANDORA's Annual report for 2011 for a full description of the stock balancing campaign.

In Q1 2012 PANDORA received returns of discontinued products of DKK 340 million. Of this, DKK 162 million was replaced during Q1 2012.

- Group revenue decreased by 18.4% in Q1 2012 to DKK 1,424 million compared to DKK 1,745 million in Q1 2011:
  - Americas decreased by 2.0% (5.5% decrease in local currency)
  - Europe decreased by 36.2% (35.9% decrease in local currency)
  - Asia Pacific decreased by 16.4% (22.3% decrease in local currency)
  - Branded revenue as percentage of total revenue increased to 80.2% (75.5% in Q1 2011)

- Gross margin was 71.6% in Q1 2012 (compared to a gross margin of 71.6% in Q1 2011),

- EBITDA margin was 28.2% in Q1 2012 (compared to an EBITDA margin of 40.6% in Q1 2011), EBITDA decreased by 43.4% to DKK 401 million

- EBIT margin was 24.8% in Q1 2012 (compared to an EBIT margin of 36.5% in Q1 2011), EBIT decreased by 44.6% to DKK 353 million

- Net profit decreased by 34.4% to DKK 338 million in Q1 2012 (compared to a net profit of DKK 515 million in Q1 2011)

- Free cash flow was DKK 118 million in Q1 2012 (compared to DKK 476 million in Q1 2011)

CONFIRMED FINANCIAL OUTLOOK FOR 2012
Assuming a negative impact on revenue corresponding to the maximum cap of DKK 800 million from the stock balancing campaign, PANDORA expect to report revenue above DKK 6 billion, a gross margin in the low 60's and an EBITDA margin in the low 20's.

Excluding the negative impact of the one-off stock balancing campaign PANDORA expects 2012 revenue growth in mid-single digits; gross margin in the low 60's driven by the impact of commodities prices and a reduction in our selling prices; and EBITDA margin in the mid 20's.

CAPEX and the effective tax rates will not be affected by the stock balancing campaign. PANDORA expects CAPEX to be around DKK 300 million and an effective tax rate of 18,0%.

PANDORA's revenue assumption is based on the expectation of approximately 200 new Concept stores in 2012, with a particular focus in new markets. PANDORA expects to open at least 135 new Concept stores and Shop-in-Shops in our key new markets (Italy, France, Russia and Asia) during the course of 2012.

PANDORA's 2012 guidance is based on the following assumptions:

- Main commodities: Gold: 1,534 USD/oz and silver: 32.7 USD/oz
- Main currencies: DKK/GBP: 858.7, DKK/USD: 551.1, DKK/AUD: 536.4 and DKK/THB: 17.7

CEO Björn Gulden, said:

"During the first couple of months I have been spending time with all of our major markets and also visited our production facilities in Thailand. I have worked through our strategic review, and can confirm that I 100% agree to its conclusions. Our strategy is intact – it is all about execution.

Our operations developed as planned during the quarter. It is evident that we do have a number of short-term challenges but I am encouraged to see that we have initiated actions to deal with all of them. I am also very happy to see how motivated and passionate our people are. They are all proud of being part of PANDORA and are genuinely focused on continuing making PANDORA a globally successful company. We will achieve this by working hard on three things: understanding the consumer, improving our product offering and strengthening the sales-out.

The stock balancing campaign is on track, but due to the way this campaign affects our quarterly reported numbers, progress can be difficult to track. The most important fact is that we work together with our retailers, to make sure that the quality of their stock is improving. The fact that we have realigned the price architecture and product range and also reduced prices on several of our products is also assuring that we will have a larger offering in the commercial PANDORA price points going forward.

I'm happy to see that the Spring/Summer 2012 collection launched in mid-March is doing very well both in terms of sales-in and sales-out, and I'm confident that this improvement will continue with our product offering for Fall/Winter 2012."

CONFERENCE CALL
A conference call for investors and financial analysts – hosted by CEO Björn Gulden and CFO Henrik Holmark – will be held today at 10.00 CET and can be accessed from our website: www.pandoragroup.com. The corresponding presentation will be available on the website one hour before the call.

The following numbers can be used by investors and analysts:
DK: +45 3272 7625
UK (International): +44 (0) 1452 555 566
US: +1 631 510 7498

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 73331039 when dialling into the conference.

ABOUT PANDORA
PANDORA designs, manufactures and markets hand-finished and modern jewellery made from genuine materials at affordable prices. PANDORA jewellery is sold in more than 65 countries on six continents through over 10,000 points of sale, including around 700 concept stores.

Founded in 1982 and headquartered in Copenhagen, Denmark, PANDORA employs over 5,300 people worldwide of whom 3,600 are located in Gemopolis, Thailand, where the Company manufactures its jewellery. PANDORA is publicly listed on the NASDAQ OMX Copenhagen stock exchange in Denmark. In 2011, PANDORA's total revenue was DKK 6.7 billion (approximately EUR 893 million). For more information, please visit **www.pandoragroup.com**

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FINANCIAL HIGHLIGHTS

DKK million	2012 Q1	2011 Q1	2011 Full year
Income statement			
Revenue	1,424	1,745	6,658
EBITDA	401	709	2,281
Operating profit (EBIT)	353	637	2,058
Net financial income and expenses	59	-9	311
Profit before tax	412	628	2,369
Net profit	338	515	2,037
Balance sheet			
Total assets	8,129	8,335	8,051
Invested capital	5,938	5,618	5,923
Net working capital excluding derivatives	1,400	1,292	1,327
Shareholders' equity	5,070	4,740	5,411
Net interest-bearing debt	746	705	209
Cash flow statement			
Net cash flow from operating activities	137	455	1,823
Net cash flow from investing activities	-22	-135	-364
Free cash flow	118	476	1,670
Cash flow from financing activities	-59	-947	-2,502
Net cash flow for the period	56	-627	-1,043
Ratios			
Revenue growth, %	-18.4%	41.0%	-0.1%
EBITDA growth, %	-43.4%	49.6%	-15.0%
EBIT growth, %	-44.6%	54.6%	-14.8%
Net profit growth, %	-34.4%	90.7%	8.9%
EBITDA margin, %	28.2%	40.6%	34.3%
EBIT margin, %	24.8%	36.5%	30.9%
Cash conversion, %	34.9%	92.4%	82.0%
Net interest-bearing debt to EBITDA *	0.4	0.2	0.1
Equity ratio, %	62.4%	56.9%	67.2%
ROIC, % *	29.9%	47.0%	34.7%
Other key figures			
Average number of employees	5,391	5,060	5,186
Dividend per share, DKK	-	-	5.5
Earnings per share, basic	2.6	4.3	15.9
Share price at end of period	65	269	54

* Ratio is based on 12 months rolling EBITDA and EBIT respectively.

Key figures and financial ratios are defined and calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios, "Recommendations and Financial Ratios 2010". Please refer to note 27 in the Annual Report 2011.

IMPORTANT EVENTS IN Q1 2012

Initiative to improve the quality of retailers' stock
With the aim to improve the quality of the stock mix at our key retail partners, PANDORA on 21 February 2012, initiated a one-off, time limited global stock balancing campaign.

PANDORA estimates the wholesale value of the campaign to be in the range from DKK 500 million up to a maximum of DKK 800 million. During Q1 2012 PANDORA received discontinued products of DKK 340 million and of this, DKK 162 million was replaced with new bestsellers during Q1 2012.

From an accounting perspective the stock balancing campaign has no impact on revenue, and since the revenue recognition is based on the matching principle only products that have been both received and subsequently replaced with new products are accounted for in revenue. This limits the value of products accounted for in Q1 2012 to DKK 162 million with a revenue impact of zero in Q1 2012. Inventory was impacted by DKK 90 million in Q1 2012, caused by take back from the stock balancing campaign.

The campaign is planned to continue for the remainder of 2012 with only a minor part extending into Q4 2012 and PANDORA estimates that it will generate a corresponding negative impact, on reported numbers across the whole of 2012 due to cannibalization of future sales.

PANDORA retailers have welcomed the stock balancing campaign initiative and the part of the campaign run so far has achieved a high participation rate from retailers, both in terms of number of stores and volume. The requests for returns of discontinued products show a participation rate of approximately two-thirds amongst all points of sales in our distribution network. Participation rates for Concepts stores and Shop-in-Shops were above 80%.

To help evaluate against historical figures, PANDORA will, throughout 2012, provide supplemental figures related to the stock balancing campaign where applicable. Supplemental figures should however be treated with careful consideration, as simply adding these to the reported figures, may not be representative nor meaningful, particularly due to the phasing of returns and replacements between individual quarters.

Update on Strategic review
PANDORA continues to work on the issues identified in the Strategic review, which was communicated on 21 February 2012 with the release of the Q4 2011 report. PANDORA will report on the progress of the key areas highlighted in the review, as they are executed on.

In addition to the stock balancing campaign mentioned in the section above, PANDORA has realigned the price architecture and product range globally during the quarter. Price adjustments were not implemented globally until late in Q1 2012. The Spring/Summer 2012 collection with more products in the commercial price points were launched mid-March.

PANDORA
UNFORGETTABLE MOMENTS

REVENUE DEVELOPMENT IN Q1 2012

Total revenue decreased by 18.4% to DKK 1,424 million in Q1 2012 from DKK 1,745 million in Q1 2011, with Q1 2012 negatively impacted from the derived effects of the stock balancing campaign initiated in February 2012.

Corrected for the estimated effect from the stock balancing campaign, the US and Other Americas performed comparably well. The Americas accounted for DKK 258 million out of the total DKK 340 million received under the stock balancing campaign in Q1 2012 and were thus particularly affected by the derived effects of the campaign.

Revenue developed negatively in particular in Australia, Germany and the UK as well as with 3rd party distributors in Greece, Spain, Portugal and Ireland. The UK was particularly negatively impacted by the effects from the stock balancing campaign.

Excluding foreign exchange movements, revenue decreased by 20.6% consisting of price increases (+3.1%), volume (-14.9%), market mix (-0.8%) and product mix effects (-8.0%).

The geographical distribution of revenue in Q1 2012 was 53.8% for the Americas (44.8% in Q1 2011), 33.3% for Europe (42.6% in Q1 2011) and 12.9% for Asia Pacific (12.6% in Q1 2011).

REVENUE BREAKDOWN BY GEOGRAPHY

DKK million	Q1 2012	Q1 2011	% Growth	% Growth in local currency	Received Q1 2012*	Replaced Q1 2012*
Americas	**766**	**782**	**-2.0%**	**-5.5%**	**258**	**107**
United States	609	677	-10.0%		211	85
Other	157	105	49.5%		47	22
Europe	**474**	**743**	**-36.2%**	**-35.9%**	**77**	**50**
United Kingdom	134	219	-38.8%		64	47
Germany	100	162	-38.3%		3	1
Other	240	362	-33.7%		10	2
Asia Pacific	**184**	**220**	**-16.4%**	**-22.3%**	**5**	**5**
Australia	124	174	-28.7%		5	5
Other	60	46	30.4%		-	-
Total	**1,424**	**1,745**	**-18.4%**	**-20.6%**	**340**	**162**

* Received means value of discontinued products returned to PANDORA in Q1 2012. Replaced means value of new products returned to retailers Q1 2012.

AMERICAS

Revenue in Americas decreased by 2.0% to DKK 766 million in Q1 2012 from DKK 782 million in Q1 2011. Excluding foreign exchange movements, revenue decreased by 5.5% compared to Q1 2011.

In the United States revenue was down 10.0% in Q1 2012 versus Q1 2011 (a decrease of 8.7% in local currency). Of the DKK 340 million in stock balancing from retailers received in total in Q1 2012, the United States accounted for DKK 211 million, corresponding to 34,6% of the reported revenue for Q1 2012 which may have changed the retailers' purchasing patterns.

Based on Concept stores, which have been operating for 12 months or more, like for like sales-out in the US increased by 6.7% in Q1 2012 compared to Q1 2011.

Concept stores like for like* sales-out	**Sales-out**			
	Q1 2011 to Q1 2012	**Q4 2010 to Q4 2011**	**Q3 2010 to Q3 2011**	**Q2 2010 to Q2 2011**
US	6.7%	16.6%	11.3%	18.9%

*Stores of same category open more than 12 months.

Other Americas sales were up 49.5% year-on-year and constituted 11.0% of Group revenue, with Canada as the largest contributor.

During Q1 2012 the number of branded stores in the Americas increased by 14 stores (versus 51 in Q1 2011) to a total of 1,362 branded stores. Of the 14 branded stores opened in Q1 2012, 11 were Concept stores. Branded stores accounted for 45.3% of the total number of stores compared to 39.6% at the end of Q1 2011.

AMERICAS	**Number of PoS Q1 2012**	**Number of PoS Q1 2011**	**Number of PoS Q4 2011**	**Delta Q1 2012 and Q4 2011**	**Delta Q1 2011 and Q4 2010**
Concept stores[1]	223	148	212	11	12
Shop-in-Shops[2]	441	331	431	10	30
Gold	698	592	705	-7	9
Total branded	**1,362**	**1,071**	**1,348**	**14**	**51**
Total branded as % of Total	**45.3%**	**39.6%**	**44.7%**	**0.6%**	**1.4%**
Silver	1,115	1,101	1,126	-11	-9
White and travel retail	532	530	543	-11	-13
Total	**3,009**	**2,702**	**3,017**	**-8**	**29**

[1] Includes 0 and 0 PANDORA-owned Concept stores at Q1 2012 and Q4 2011 respectively
[2] Includes 0 and 0 PANDORA-owned Shop-in-Shops at Q1 2012 and Q4 2011 respectively

EUROPE

In Europe PANDORA experienced a decrease in revenue of 36.2% (a decrease of 35.9% in local currency) in Q1 2012 versus Q1 2011, mainly driven by weak sales-in in the UK, Germany and to 3rd party distributors in Greece, Spain, Portugal and Ireland.

Revenue in the UK, our largest single European market (accounting for 9.4% of Q1 2012 revenues) decreased by 38.8% (a decrease of 40.0% in local currency). Of the DKK 340 million in stock balancing received in Q1 2012, the UK accounted for DKK 64 million, corresponding to 47.8% of the reported revenue for Q1 2012 which may have changed the retailers' purchasing patterns.

Based on Concept stores which have been operating for 12 months or more, like for like sales-out in the UK decreased by 15.6% in Q1 2012 compared to Q1 2011, in a retail environment characterised by heavy discounting amongst competitors in Q1 2012.

Concept stores like for like* sales-out	Sales-out			
	Q1 2011 to Q1 2012	Q4 2010 to Q4 2011	Q3 2010 to Q3 2011	Q2 2010 to Q2 2011
UK	-15.6%	-8.9%	-10.0%	-0.3%

*Stores of same category open more than 12 months.

Revenue in Germany, PANDORA´s second largest market in Europe (accounting for 7.0% of Q1 2012 Group revenue), decreased 38.3% in Q1 2012 compared to Q1 2011.

We have in Q1 2012, supported by external consultants, performed a review of our operations in the German market. The review confirmed that PANDORA's primary issue in Germany is a sub-optimal distribution with too many points of sale and with too many accounts with unsatisfactory contribution to PANDORA's revenue, profitability and brand. We continue to address these issues by closing a significant number of sub-optimally located stores particularly in the White category in 2012 and 2013. We also expect to open a limited number of Own & Operated Concept stores at attractive locations. This review also identified a number of operational issues that will be addressed for the remainder of 2012.

Based on Concept stores, which have been operating for 12 months or more, like for like sales-out in Germany, decreased by 1.8% in Q1 2012 compared to Q1 2011.

Concept stores like for like* sales-out	Sales-out			
	Q1 2011 to Q1 2012	Q4 2010 to Q4 2011	Q3 2010 to Q3 2011	Q2 2010 to Q2 2011
Germany	-1.8%	-1.4%	-11.5%	-7.2%

*Stores of same category open more than 12 months.

The category Other Europe decreased by 33.7% in Q1 2012 compared to Q1 2011, negatively affected by our 3rd party distributors in Greece, Spain, Portugal and Ireland, which continued to be adversely impacted by tough macroeconomic trading conditions, resulting in retailers destocking. This negative trend was partially countered in particular by a positive development in Russia.

During Q1 2012 the number of branded stores in Europe increased by 117 stores (versus 105 in Q1 2011) to a total of 2,001 branded stores, accounting for 29.2% of the total number of stores compared to 23.5% at the end of Q1 2011 affected by the closure of 239 unbranded stores during Q1 2012. The decrease on Shop-in-Shops is impacted by reclassification of 103 Shop-in-Shops to Gold and Silver categories following our review in CWE.

EUROPE	Number of PoS Q1 2012	Number of PoS Q1 2011	Number of PoS Q4 2011	Delta Q1 2012 and Q4 2011	Delta Q1 2011 and Q4 2010
Concept stores[1]	355	235	340	15	16
Shop-in-Shops[2]	478	522	585	-107	-6
Gold	1,168	871	959	209	95
Total branded	**2,001**	**1,628**	**1,884**	**117**	**105**
Total branded as % of Total	**29.2%**	**23.5%**	**27.0%**	**2.2%**	**2.2%**
Silver	1,756	1,341	1,456	300	103
White and travel retail	3,086	3,959	3,625	-539	-419
Total[3]	**6,843**	**6,928**	**6,965**	**-122**	**-211**

[1] Includes 59 and 57 PANDORA-owned Concept stores at Q1 2012 and Q4 2011 respectively

[2] Includes 48 and 45 PANDORA-owned Shop-in-Shops at Q1 2012 and Q4 2011 respectively

[3] Includes for Q1 2012 70 concept stores, 142 Shop-in-Shops, 253 Gold, 204 Silver and 1,086 White stores respectively relating to 3rd party distributors

ASIA PACIFIC

In Asia Pacific, revenue decreased 16.4% in Q1 2012 compared to Q1 2011. Excluding currency movements, the revenue in the region decreased by 22.3% year on year. The revenue development was negatively impacted by continued weak performance in Australia only partially offset by strong growth in Asia, albeit from low levels.

Trading conditions in Australia continue to be highly challenging for PANDORA. Reported revenue was down 28.7% year on year whereas revenue decreased 34.4% in local currency. The weak performance is mainly due to the over-distribution of PANDORA products in unbranded sales channels in Australia, an issue that have been addressed during Q1 2012 with the closure of a significant number of unbranded stores. This in turn had a negative effect on trading conditions on the remaining part of the distribution network due to discounting from discontinued stores, although PANDORA expects this effect to be of time-limited nature.

Based on Concept stores which have been operating for 12 months or more, like for like sales-out in Australia decreased by 20.1% in Q1 2012 compared to Q1 2011.

Concept stores like for like* sales-out	**Sales-out**			
	Q1 2011 to Q1 2012	**Q4 2010 to Q4 2011**	**Q3 2010 to Q3 2011**	**Q2 2010 to Q2 2011**
Australia	-20.1%	-15.5%	-16.8%	-15.8%

*Stores of same category open more than 12 months.

In Asia, our business grew strongly on the back of an accelerated new store opening program initiated in H2 2011 and strong sales performance, driven by new products, stronger marketing and increasing brand awareness in Asia.

ASIA PACIFIC	Number of PoS Q1 2012	Number of PoS Q1 2011	Number of PoS Q4 2011	Delta Q1 2012 and Q4 2011	Delta Q1 2011 and Q4 2010
Concept stores[1]	120	68	120	-	2
Shop-in-Shops[2]	169	133	166	3	4
Gold	140	159	157	-17	-5
Total branded	**429**	**360**	**443**	**-14**	**1**
Total branded as % of Total	**66.3%**	**47.4%**	**59.1%**	**7.2%**	**2.9%**
Silver	86	100	116	-30	-10
White and travel retail	132	300	191	-59	-37
Total	**647**	**760**	**750**	**-103**	**-46**

[1] Includes 35 and 33 PANDORA-owned Concept stores at Q1 2012 and Q4 2011 respectively

[2] Includes 1 and 1 PANDORA-owned Shop-in-Shops at Q1 2012 and Q4 2011 respectively

PANDORA SALES CHANNELS

Branded sales in markets with direct distribution accounted for 80.2% in Q1 2012 (75.5% in Q1 2011). Concept stores accounted for 55.7% of the branded sales in Q1 2012 (44.8% in Q1 2011). Direct distribution accounted for 96.2% of revenue in Q1 2012 (89.6% in Q1 2011).

DKK million	Q1 2012	Q1 2011	Received Q1 2012*	Replaced Q1 2012*	Number of POS Q1 2012	Number of POS Q1 2011
Concept stores	612	529	100	66	628	410
SiS	286	360	99	51	946	856
Gold	201	291	90	31	1,753	1,514
Total Branded	**1,099**	**1,180**	**289**	**148**	**3,327**	**2,780**
Silver	150	234	38	12	2,753	2,227
White & TR	121	149	13	2	2,664	2,884
Total Unbranded	**271**	**383**	**51**	**14**	**5,417**	**5,111**
Total Direct	**1,370**	**1,563**	**340**	**162**	**8,744**	**7,891**
3rd party	54	182	-	-	1,755	2,499
Total	**1,424**	**1,745**	**340**	**162**	**10,499**	**10,390**

* Received means value of discontinued products returned to PANDORA in Q1 2012. Replaced means value of new products returned to retailers Q1 2012.

In Q1 2012, PANDORA added a net total of 117 branded points of sale. Of these, 26 were Concept stores, -94 were Shop-in-Shops and 185 were Gold stores. The decrease on Shop-in-Shops is impacted by reclassification of 103 Shop-in-Shops to Gold and Silver categories following our review in CWE.

Branded stores in direct distribution markets accounted for 38.0% of the total number of stores at the end of Q1 2012 compared to 35.2% at the end of Q1 2011.

The total number of points of sale decreased by 233 in Q1 2012 to a total of 10,499 globally.

GROUP	Number of PoS Q1 2012	Number of PoS Q1 2011	Number of PoS Q4 2011	Delta Q1 2012 and Q4 2011	Delta Q1 2011 and Q4 2010
Concept stores[1]	698	451	672	26	30
Shop-in-Shops[2]	1,088	986	1,182	-94	28
Gold	2,006	1,622	1,821	185	99
Total branded	**3,792**	**3,059**	**3,675**	**117**	**157**
Total branded as % of Total	**36.1%**	**29.4%**	**34.2%**	**1.9%**	**2.1%**
Silver	2,957	2,542	2,698	259	84
White and travel retail	3,750	4,789	4,359	-609	-469
Total[3]	**10,499**	**10,390**	**10,732**	**-233**	**-228**

[1] Includes 94 and 90 PANDORA-owned Concept stores at Q1 2012 and Q4 2011 respectively

[2] Includes 49 and 46 PANDORA-owned shop-in-shops at Q1 2012 and Q4 2011 respectively

[3] Includes for Q1 2012 70 concept stores, 142 Shop-in-Shops, 253 Gold, 204 Silver and 1,086 White stores respectively relating to 3rd party distributors

PRODUCT OFFERING

Due to the on-going stock balancing campaign the revenue distribution between product categories as well as the total revenue generated is impacted as especially the categories Rings and Other Jewellery have been significantly affected by returned SKU's, leading to a comparably positive effect into the categories Charms and Silver and gold charms bracelets.

In Q1 2012 revenue from Charms decreased by 13.0% compared to Q1 2011. Revenue from Silver and gold charms bracelets decreased by 13.6% compared to Q1 2011. The two categories represented 89.8% of total revenue in Q1 2012 compared to 84.3% in Q1 2011.

Rings decreased by 18.6%. Rings represented 5.8% of total revenue in Q1 2012 compared to 5.8% in Q1 2011. Other Jewellery decreased by 63.4% in Q1 2012 and represented 4.4% of total revenue compared to 9.9% in Q1 2011, both Q1 2012 figures significantly affected by the impact from the on-going stock balancing campaign.

Rings and Other Jewellery together represented 10.2% of total revenue in Q1 2012 compared to 15.7% in Q1 2011.

Product mix DKK million	**2012** **Q1**	**2011** **Q1**	**Growth** **Q1 vs Q1**	**Share of** **total in %**	**Received** **Q1 2012***	**Replaced** **Q1 2012***
Charms	1,088	1,251	-13.0%	76.5%	144	124
Silver and gold charms bracelets	190	220	-13.6%	13.3%	2	16
Rings	83	102	-18.6%	5.8%	63	10
Other jewellery	63	172	-63.4%	4.4%	131	12
Total	**1,424**	**1,745**	**-18.4%**	**100.0%**	**340**	**162**

* Received means value of discontinued products returned to PANDORA in Q1 2012. Replaced means value of new products returned to retailers Q1 2012.

The average sales price per item in Q1 2012 decreased to DKK 126 from DKK 131 in Q1 2011 mainly due to a change in product mix.

NEW MARKETS

In Q1 2012, PANDORA opened net 26 Concept stores globally on the back of significant acceleration in this area in H2 2011. PANDORA's key new markets (Italy, France, Russia and Asia) opened net 15 new Concept stores and Shop-in-Shops.

Number of stores - new markets			End of Q1 2012						
								Net Openings	Net Openings
	Russia	China	Japan	Rest of Asia	France	Italy	Total	Q1 2012	Q1 2011
Concept stores	38	11	5	37	4	1	**96**	7	5
SiS	8	11	12	33	17	10	**91**	8	2
Total	**46**	**22**	**17**	**70**	**21**	**11**	**187**	**15**	**7**

Our strategy in Russia, China and Japan is to primarily open branded stores - mainly Concept stores and Shop-in-Shops.

Our strategy in Italy is to utilize the large and well-established network of multi-brand jewellery retailers. In Italy, the Company was selling PANDORA products through 977 points of sale (1 Concept store, 10 Shop-in-Shops, 143 Gold stores, 170 Silver stores and 653 White stores) at the end of Q1 2012.

Our strategy in France is to upgrade the quality of our distribution network, with a particular emphasis on department store Shop-in-Shops and Concept stores. In France, the Company was selling PANDORA products through 248 points of sale (4 Concept store, 17 Shop-in-Shops, 1 Gold store, 22 Silver stores and 204 White stores) at the end of Q1 2012.

REVENUE BY DISTRIBUTION

Direct distribution accounted for 96.2% of revenue in Q1 2012 compared to 89.6% in Q1 2011.

Distribution	DKK million Revenue Q1 2012	Number of PoS end Q1 2012	DKK million Revenue Q1 2011*	Number of PoS end Q1 2011
Direct distribution	1,370	8,744	1,563	7,891
Third party distribution	54	1,755	182	2,499
Total	**1,424**	**10,499**	**1,745**	**10,390**

* A misallocation of third party distribution in Q1 and Q2 2011 means that in this period, third party distribution revenue was overstated by DKK 33 million and DKK 63 million respectively, and direct distribution understated by a similar amount. The misallocation in H1 2011 was confined to the Other Europe category and thus no regional distribution was affected. Q3 and Q4 2011 were correctly stated as are the numbers stated in PANDORA's Annual report for 2011

Q1 2012 revenue decreased by 18.4% compared to Q1 2011 with direct distribution declining only 12.3% and 3rd party accounting for the remaining decrease. The significant reduction in 3rd party revenue from distributors in Greece, Spain, Portugal and Ireland, is, as previously mentioned, caused by continued tough macroeconomic trading conditions combined with distributor and retailer destocking.

GROSS PROFIT AND GROSS MARGIN

Gross Margin Development

	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1
	71.6%	72.7%	73.6%	74.4%	71.6%

Gross profit was DKK 1,020 million in Q1 2012 compared to DKK 1,250 million in Q1 2011, resulting in a gross margin of 71.6% in Q1 2012 compared to 71.6% in Q1 2011. The Q1 2012 gross margin was positively impacted by a significant shift in product mix in the quarter and lower revenue from 3rd party.

Compared with Q1 2011 the Q1 2012 gross margin was negatively affected by increasing raw material prices (-5.5%) but positively affected by price changes (+0.8%), currencies (+1.0%), product and market mix (+3.7%), with no impact from the stock campaign.

It is our policy to hedge 100%, 80%, 60% and 40% of expected gold and silver consumption in the following four quarters. However, current inventory means a delayed impact of these hedge prices on our cost of goods sold. The combined effect of the time lag from our inventory and our 12-month rolling hedges effectively means that we are virtually fully hedged in 2012.

Excluding our hedging and the time lag effect from our inventory, the underlying gross margin would have been approximately 68.6% based on average gold (1,692 USD/oz) and silver (33 USD/oz) market prices in Q1 2012. Under the same assumptions, a 10% deviation in quarterly average gold and silver prices would impact our gross margin by approximately 3 percentage points.

The average realized price for gold was 1,514 USD/oz and 34.73 USD/oz for silver in Q1 2012. Our hedged prices for the following four quarters for gold are 1.621 USD/oz, 1.723 USD/oz, 1.711 USD/oz, 1.679 USD/oz and for silver 35.06 USD/oz, 35.64USD/oz, 32.92USD/oz and 34.41 USD/oz.

DISTRIBUTION EXPENSES

Distribution expenses were flat with DKK 455 million in Q1 2012 compared to DKK 459 million in Q1 2011, representing 31.9% of revenue in Q1 2012 compared to 26.3% in Q1 2011. Q1 2011 was affected by amortization of CWE distribution rights of DKK 46 million, whereas Q1 2012 includes amortisation of French distributions rights of DKK 7 million and increased costs from business development initiatives in Asia, CWE (mainly Germany and Italy) and France.

Sales and distribution costs were flat DKK 286 million in Q1 2012 compared to DKK 289 million in Q1 2011, representing 20.1% of revenue in Q1 2012 compared to 16.6% Q1 2011.

Marketing costs were flat at DKK 169 million in Q1 2012 from DKK 170 million in Q1 2011, corresponding to 11.9% of revenue in Q1 2012, compared to 9.7% in Q1 2011.

ADMINISTRATIVE EXPENSES

Administrative expenses amounted to DKK 212 million in Q1 2012 versus DKK 154 million Q1 2011, representing 14.9% up from 8.8% of Q1 2012 and Q1 2011 revenue, respectively.

The increase in administrative costs is mainly related to increased personnel headcount, investment in IT infrastructure as well as the use of external consultants.

COST RATIOS

Cost Ratio (Including depreciations & amortisations*)

DKK million	**2012 Q1**	**2011 Q4**	**2011 Q3**	**2011 Q2**	**2011 Q1**
Sales and distribution costs	20.1%	15.7%	14.8%	18.1%	16.6%
Marketing costs	11.9%	20.1%	14.0%	13.7%	9.7%
Administrative expenses	14.9%	12.6%	12.6%	10.9%	8.8%
Total Cost	**46.9%**	**48.4%**	**41.4%**	**42.7%**	**35.1%**

* Including gains/losses from sales of assets

Please note that the percentage cost ratio for Q1 2012 is impacted due to the stock balancing campaign. Additionally, historical sales and distribution costs, up to and including Q2 2011, are negatively affected by DKK 46 million per quarter from amortisation of acquired distribution rights in PANDORA CWE.

EBITDA

EBITDA for Q1 2012 decreased by 43.4% to DKK 401 million resulting in an EBITDA margin of 28.2%, down from 40.6% in Q1 2011. In Q1 2012 the EBITDA margin was positively impacted by a significant shift in product mix in the quarter and lower revenue from 3rd party, the effects that also affected our gross margin in the quarter.

Regional EBITDA margins for Q1 2012 before allocation of central costs were 51.8% in Americas (51.4% in Q1 2011), 14.1% in Europe (44.5% in Q1 2011) and 23.9% in Asia Pacific (42.7% in Q1 2011). Unallocated costs were -7.5% in Q1 2012 compared to -6.8% in Q1 2011.

The Americas region EBITDA margin remained high and in line with last year, despite negative effects from the stock balancing campaign in Q1 2012. The margin decrease in Europe was affected by the stock balancing campaign effect in the UK, weak revenue in Germany and amongst 3rd party distributors; as well as start-up costs to develop direct distribution in Italy and France. The decrease in EBITDA margin in Asia Pacific was primarily due to the decrease in revenue in Australia and start-up costs related to the development of the future growth markets in Asia.

EBITDA Margin	2012 Q1	2011 Q1	Q1 2012 vs Q1 2011 (% pts)
Americas	51.8%	51.4%	0.4%
Europe	14.1%	44.5%	-30.4%
Asia Pacific	23.9%	42.7%	-18.8%
Unallocated costs	-7.5%	-6.8%	-0.7%
Group EBITDA margin	**28.2%**	**40.6%**	**-12.4%**

EBIT
EBIT for Q1 2012 decreased to DKK 353 million – a decrease of 44.6% compared to the same quarter 2011, resulting in an EBIT margin of 24.8% for Q1 2012 versus 36.5% in Q1 2011.

NET FINANCIAL INCOME AND EXPENSES
Net financial income amounted to DKK 59 million in Q1 2012 including financial expenses of DKK 7 million in Q1 2012. Financial income of DKK 66 million in Q1 2012, was significantly impacted by an unrealized gain on foreign exchange movements, mainly from the strong depreciation of the USD during Q1 2012.

INCOME TAX EXPENSES
Income tax expenses were DKK 74 million in Q1 2012, implying an effective tax rate of 18.0% for Q1 2012 compared to 18.0% for Q1 2011.

NET PROFIT
Net profit in Q1 2012 decreased by 34.4% to DKK 338 million from DKK 515 million in Q1 2011.

LIQUIDITY AND CAPITAL RESOURCES
Please note that free cash flow, cash conversion and the operating working capital ratio for Q1 2012 is impacted from the stock balancing campaign.

In Q1 2012, PANDORA generated a free cash flow of DKK 118 million corresponding to a cash conversion of 34.9% compared to 92.4% in Q1 2011. The decrease in cash conversion is driven by a lower operating cash flow mainly from a decrease in trade payables as well as an increase in inventory.

Operating working capital (defined as inventory and accounts receivables less accounts payables) at the end of Q1 2012 was 35.2% of preceding twelve months revenue compared to 26.8% at the end of Q1 2011 and 33.4% at the end of Q4 2011.

Inventory increased to DKK 1,668 million at the end of Q1 2012 from DKK 1,464 million at the end of Q1 2011 and increased by DKK 59 million versus Q4 2011. Inventory levels increased by only 13.9% from Q1 2011 to Q1 2012, despite soaring gold and silver prices (up approximately +30%), and despite DKK 90 million in inventory caused by take back from the stock balancing campaign.

The increase in inventory from Q4 2011 to Q1 2012 can largely be explained by the effects on inventory from the on-going stock balancing campaign.

Development in Inventory	**2012 Q1**	**2011 Q4**	**2011 Q3**	**2011 Q2**	**2011 Q1**
Inventory (DKKm)	1,668	1,609	1,964	1,697	1,464
% of last 12 mth revenue	26.3%	24.2%	28.0%	23.5%	20.4%

Trade receivables increased to DKK 704 million in Q1 2012 (11.1% of preceding 12 month revenue) from DKK 678 million in Q1 2011 (9.5% of preceding 12 month revenue).

In Q1 2012, PANDORA invested a total of DKK 15 million in property, plant and equipment, corresponding to approximately 1.1% of revenue.

Cash and short-term deposits amounted to DKK 231 million at the end of Q1 2012 (compared to DKK 584 million at the end of Q1 2011).

Total interest-bearing debt was DKK 977 million at the end of Q1 2012 (compared to DKK 1,289 million at the end of Q1 2011).

Net interest-bearing debt at the end of Q1 2012 was DKK 746 million corresponding to 0.4 LTM EBITDA (compared to DKK 705 million at the end of Q1 2011 corresponding to 0.2 LTM EBITDA). In Q1 2012 interest-bearing debt includes dividend payment of DKK 650 million. In 2011, a dividend of the same amount was not paid until Q2 2011.

MANAGEMENT STATEMENT

The Board of Directors and the Executive Board have reviewed and approved the interim report of PANDORA A/S for the period 1 January – 31 March 2012.

The interim report, which has not been audited or reviewed by the Company's auditor, has been prepared in accordance with IAS 34 “Interim Financial Reporting”, as adopted by the EU, and additional Danish interim reporting requirements for listed companies.

In our opinion, the interim report gives a true and fair view of the PANDORA Group’s assets, liabilities and financial position at 31 March 2012, and of the results of the PANDORA Group’s operations and cash flow for the period 1 January – 31 March 2012.

Further, in our opinion the management's review (p. 1-16) gives a true and fair review of the development in the Group's operations and financial matters, the result of the PANDORA Group for the period and the financial position as a whole, and describes the significant risks and uncertainties pertaining to the Group.

Copenhagen, 8 May 2012

EXECUTIVE BOARD

Björn Gulden Chief Executive Officer	Henrik Holmark Chief Financial Officer	Sten Daugaard Chief Development Officer

BOARD OF DIRECTORS

Allan Leighton Chairman	Marcello V. Bottoli
Andrea Alvey	Anders Boyer-Søgaard
Christian Frigast	Torben Ballegaard Sørensen
Nikolaj Vejlsgaard	Ronica Wang

CONSOLIDATED INCOME STATEMENT

DKK million	Notes	2012 Q1	2011 Q1	2011 Full year
Revenue	3	1,424	1,745	6,658
Cost of sales		-404	-495	-1,798
Gross profit		**1,020**	**1,250**	**4,860**
Distribution expenses		-455	-459	-2,053
Administrative expenses		-212	-154	-749
Operating profit		**353**	**637**	**2,058**
Financial income		66	47	642
Financial expenses		-7	-56	-331
Profit before tax		**412**	**628**	**2,369**
Income tax expenses		-74	-113	-332
Net profit for the period		**338**	**515**	**2,037**
Attributable to:				
Equity holders of PANDORA A/S		338	515	2,037
Non-controlling interests		0	0	0
Net profit for the period		**338**	**515**	**2,037**
Earnings per share				
Profit for the period attributable to ordinary equity holders of the parent, basic		2.6	4.3	15.9
Profit for the period attributable to ordinary equity holders of the parent, diluted		2.6	4.3	15.7

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

DKK million	2012 Q1	2011 Q1	2011 Full year
Net profit for the period	338	515	2,037
Exchange differences on translation of foreign subsidiaries	-129	-195	247
Value adjustment of hedging instruments	171	110	-551
Income tax on other comprehensive income	-11	-5	13
Other comprehensive income, net of tax	**31**	**-90**	**-291**
Total comprehensive income for the period	**369**	**425**	**1,746**
Attributable to:			
Equity holders of PANDORA A/S	369	425	1,746
Non-controlling interests	0	0	0
Total comprehensive income for the period	**369**	**425**	**1,746**

CONSOLIDATED BALANCE SHEET

DKK million	2012 31 March	2011 31 March	2011 31 December
ASSETS			
Non-current assets			
Goodwill	1,906	1,853	1,928
Brand	1,053	1,052	1,053
Distribution network	328	358	336
Distribution rights	1,055	1,083	1,064
Other intangible assets	92	41	95
Property, plant and equipment	421	365	429
Deferred tax assets	290	130	209
Other non-current financial assets	36	16	34
Total non-current assets	**5,181**	**4,898**	**5,148**
Current assets			
Inventories	1,668	1,464	1,609
Trade receivables	704	678	900
Other receivables	302	639	177
Tax receivables	43	72	41
Cash and short-term deposits	231	584	176
Total current assets	**2,948**	**3,437**	**2,903**
Total assets	**8,129**	**8,335**	**8,051**
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	130	130	130
Share premium	1,248	1,248	1,248
Treasury shares	-38	-38	-38
Foreign currency translation reserve	639	326	768
Hedge reserve	-76	407	-236
Other reserves	93	88	88
Proposed dividend	0	650	715
Retained earnings	3,074	1,929	2,736
Equity attributable to equity holders of the parent company	**5,070**	**4,740**	**5,411**
Total shareholders' equity	**5,070**	**4,740**	**5,411**
Non-current liabilities			
Interest-bearing loans and borrowings	948	0	375
Provisions	85	546	64
Deferred tax liabilities	643	572	552
Other non-current liabilities	1	9	2
Total non-current liabilities	**1,677**	**1,127**	**993**
Current liabilities			
Interest-bearing loans and borrowings	29	1,289	10
Provisions	216	76	230
Trade payables	143	221	288
Income tax payables	378	474	344
Other payables	616	408	775
Current liabilities	**1,382**	**2,468**	**1,647**
Total liabilities	**3,059**	**3,595**	**2,640**
Total equity and liabilities	**8,129**	**8,335**	**8,051**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

1 January - 31 March DKK million	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Hedge reserve	Other reserves	Proposed dividend	Retained earnings	Attributable to equity holders of the parent	Non-controlling interests	Total equity
Shareholders' equity at 1 January 2012	130	1,248	-38	768	-236	88	715	2,736	5,411	0	5,411
Comprehensive income											
Net profit for the period								338	338	0	338
Exchange differences on translation of foreign subsidiaries				-129					-129	0	-129
Value adjustment of hedging instruments					171				171		171
Income tax on other comprehensive income					-11				-11		-11
Other comprehensive income, net of tax				-129	160	0			31	0	31
Total comprehensive income for the period				-129	160	0		338	369	0	369
Sharebased payments						5			5		5
Dividend paid							-715		-715		-715
Shareholders' equity at 31 March 2012	**130**	**1,248**	**-38**	**639**	**-76**	**93**	**0**	**3,074**	**5,070**	**0**	**5,070**
Shareholders' equity at 1 January 2011	130	1,248	-38	521	302	88	650	1,414	4,315	0	4,315
Comprehensive income											
Net profit for the period								515	515	0	515
Exchange differences on translation of foreign subsidiaries				-195					-195	0	-195
Value adjustment of hedging instruments					110				110		110
Income tax on other comprehensive income					-5				-5		-5
Other comprehensive income, net of tax				-195	105	0			-90	0	-90
Total comprehensive income for the period				-195	105	0		515	425	0	425
Shareholders' equity at 31 March 2011	**130**	**1,248**	**-38**	**326**	**407**	**88**	**650**	**1,929**	**4,740**	**0**	**4,740**

CONSOLIDATED CASH FLOW STATEMENT

DKK million	**2012 Q1**	**2011 Q1**	**2011 Full year**
Profit before tax	412	628	2,369
Financial income	-66	-47	-642
Financial expenses	7	56	331
Amortisation/depreciation	47	72	221
Options	5	0	0
Change in inventories	-79	-283	-310
Change in receivables	66	94	15
Change in trade payables	-140	-17	43
Change in other liabilities	-81	-42	270
	171	461	2,297
Other non-cash adjustments	12	68	50
Interest etc. received	1	1	4
Interest etc. paid	-4	-41	-99
Income tax paid	-43	-34	-429
Cash flow from operating activities	**137**	**455**	**1,823**
Acquisition of subsidiaries, net of cash acquired	0	-116	-116
Purchase of intangible assets	-6	-4	-119
Purchase of property, plant and equipment	-15	-34	-150
Investment in receivable	0	0	0
Change in other non-current assets	-2	11	-5
Proceeds from sale of property, plant and equipment	1	8	26
Cash flow from investing activities	**-22**	**-135**	**-364**
Capital increase including share premium net of transaction costs	0	0	0
Dividend paid	-650	0	-650
Dividend paid to non-controlling interests	0	-13	-13
Purchase and disposal of treasury shares	0	0	0
Acquisition of non-controlling interests	0	0	0
Proceeds from borrowings	592	1,387	537
Repayment of borrowings	-1	-2,321	-2,376
Cash flow from financing activities	**-59**	**-947**	**-2,502**
Net cash flow for the period	**56**	**-627**	**-1,043**
Cash and short-term deposits			
Cash and short-term deposits at beginning of period	176	1,224	1,224
Net exchange rate adjustment	-1	-13	-5
Net cash flow for the period	56	-627	-1,043
Cash and short-term deposits at end of period	**231**	**584**	**176**
Unutilised credit facilities inclusive cash and cash equivalents	1,902	2,008	2,492

The above cannot be derived directly from the income statement and the balance sheet.

PANDORA
UNFORGETTABLE MOMENTS

NOTES

NOTE 1 – Significant accounting estimates and judgements
In preparing the consolidated financial statements, management makes various accounting estimates and assumptions, which form the basis of presentation, recognition and measurement of PANDORA's assets and liabilities.

All significant accounting estimates and judgements are consistent with the description in the Annual Report for 2011. We refer to the description in note 1 of the consolidated financial statement in PANDORA's Annual Report for 2011.

NOTE 2 – Seasonality of operations
Due to the seasonal nature of the jewellery business, higher revenue are historically realised in the second half of the year.

NOTE 3 - Operating segment information
PANDORA's activities are segmented on the basis of geographical areas in accordance with management's reporting structure. In determining the reporting segments, a number of operating segments have been aggregated. All segments derive their revenues from the types of products shown in the product information provided below.

Management monitors the segment profit of the operating segments separately for the purpose of making decisions about resource allocation and performance management. Segment profit is measured consistently with the operating profit in the consolidated financial statements before non-current assets are amortised/depreciated (EBITDA).

NOTE 3 - Operating segment information, continued

Q1 2012

DKK million	Americas	Europe	Asia Pacific	Unallocated cost	Total Group
Income statement:					
External revenue	766	474	184	-	1,424
Segment profit (EBITDA)	397	67	44	-107	401
Adjustments:					
Amortisation/depreciation					-47
Gain/loss from sale of non-current assets					-1
Consolidated operating profit					**353**

Q1 2011

DKK million	Americas	Europe	Asia Pacific	Unallocated cost	Total Group
Income statement:					
External revenue	782	743	220	-	1,745
Segment profit (EBITDA)	402	331	94	-118	709
Adjustments:					
Amortisation/depreciation					-72
Consolidated operating profit					**637**

Product information:

Revenue from external customers

DKK million	**2012 Q1**	**2011 Q1**
Charms	1,088	1,251
Silver and gold charms bracelets	190	220
Rings	83	102
Other jewellery	63	172
Revenue	**1,424**	**1,745**

Geographical information:

Revenue from external customers

DKK million	**2012 Q1**	**2011 Q1**
United States	609	677
Australia	124	174
United Kingdom	134	219
Germany	100	162
Other countries	457	513
Revenue	**1,424**	**1,745**

NOTE 4 - Contingent liabilities

PANDORA is a party to a number of minor legal proceedings, which are not expected to influence PANDORA's future earnings.

NOTE 5 – Related party transactions

Related parties of PANDORA with a controlling interest are the principal shareholder Prometheus Invest ApS (50% interest) and the ultimate parent, Axcel III K/S 2 (30% interest).

Related parties further comprise Axcel III K/S 2's other portfolio enterprises, as they are subject to the same controlling interests. There have not been any transactions with Axcel III K/S 2 or these other entities during 2012 and 2011.

Related parties of PANDORA with significant interests include the Board of Directors and the Executive Management of the companies and their family members. Furthermore, related parties include companies in which the aforementioned persons have control or significant interest. Except for compensation and benefits received as a result of the membership of the Board of Directors, employment with PANDORA or shareholdings in PANDORA, PANDORA has not undertaken any significant transactions with the Board of Directors and Executive Management. We refer to the description in note 25 of the consolidated financial statement in PANDORA's Annual Report for 2011.

The table below provides other transactions which were entered into with related parties:

	Prometheus Invest ApS	
	2012	**2011**
DKK million	**Q1**	**Q1**
Income statement:		
Financial expenses	-	-
Total	**-**	**-**

	Prometheus Invest ApS	
	31 March	**31 March**
DKK million	**2012**	**2011**
Balance sheet:		
Payables	-	-11
Total	**-**	**-11**

NOTE 6 – Accounting policies

The present unaudited interim financial report has been prepared in accordance with IAS 34 'Interim Financial Reporting' and accounting policies set out in the Annual Report 2011 of PANDORA. Furthermore, the interim financial report and Management's review are prepared in accordance with additional Danish disclosure requirements for interim reports of listed companies. PANDORA has adopted all new, amended or revised accounting standards and interpretations ('IFRSs') endorsed by the EU effective for the accounting period beginning on 1 January 2012. These IFRSs have not had any significant impact on the Group's interim financial report.

QUARTERLY OVERVIEW

DKK million	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1
Income statement					
Revenue	1,424	1,952	1,569	1,392	1,745
EBITDA	401	524	536	512	709
Operating profit (EBIT)	353	475	506	440	637
Net financial income and expenses	59	145	-90	265	-9
Profit before tax	412	620	416	705	628
Net profit	338	555	341	626	515
Balance sheet					
Total assets	8,129	8,051	8,472	7,854	8,335
Invested capital	5,938	5,923	6,313	5,764	5,618
Net working capital	1,400	1,327	1,900	1,462	1,292
Shareholders' equity	5,070	5,411	4,790	4,439	4,740
Net interest-bearing debt	746	209	1,118	1,144	705
Cash flow statement					
Net cash flow from operating activities	137	1,032	81	255	455
Net cash flow from investing activities	-22	-129	-60	-40	-135
Free cash flow	118	930	37	227	476
Cash flow from financing activities	-59	-1,026	63	-592	-947
Net cash flow for the period	56	-123	84	-377	-627
Ratios					
Revenue growth, %	-18.4%	-15.0%	-12.2%	3.6%	41.0%
EBITDA growth, %	-43.4%	-38.9%	-33.6%	-6.2%	49.6%
EBIT growth, %	-44.6%	-39.2%	-31.9%	-8.3%	54.6%
Net profit growth, %	-34.4%	-10.3%	-41.3%	56.1%	90.7%
EBITDA margin, %	28.2%	26.8%	34.2%	36.8%	40.6%
EBIT margin, %	24.8%	24.3%	32.2%	31.6%	36.5%
Cash conversion, %	34.9%	167.6%	10.9%	36.3%	92.4%
Net interest-bearing debt to EBITDA *	0.4	0.1	0.4	0.4	0.2
Equity ratio, %	62.4%	67.2%	56.5%	56.5%	56.9%
ROIC, % *	29.9%	34.7%	37.4%	45.1%	47.0%

* Ratio is based on 12 months rolling EBITDA and EBIT respectively.

Disclaimer

Certain statements in this company announcement constitute forward-looking statements. Forward-looking statements are statements (other than statements of historical fact) relating to future events and our anticipated or planned financial and operational performance. The words “targets,” “believes,” “expects,” “aims,” “intends,” “plans,” “seeks,” “will,” “may,” “might,” “anticipates,” “would,” “could,” “should,” “continues,” “estimate” or similar expressions or the negatives thereof, identify certain of these forward-looking statements. Other forward-looking statements can be identified in the context in which the statements are made. Forward-looking statements include, among other things, statements addressing matters such as our future results of operations; our financial condition; our working capital, cash flows and capital expenditures; and our business strategy, plans and objectives for future operations and events, including those relating to our ongoing operational and strategic reviews, expansion into new markets, future product launches, points of sale and production facilities.

Although we believe that the expectations reflected in these forward-looking statements are reasonable, such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause our actual results, performance or achievements or industry results, to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Such risks, uncertainties and other important factors include, among others: global and local economic conditions; changes in market trends and end-consumer preferences; fluctuations in the prices of raw materials, currency exchange rates, and interest rates; our plans or objectives for future operations or products, including our ability to introduce new jewelry and non-jewelry products; our ability to expand in existing and new markets and risks associated with doing business globally and, in particular, in emerging markets; competition from local, national and international companies in the United States, Australia, Germany, the United Kingdom and other markets in which we operate; the protection and strengthening of our intellectual property, including patents and trademarks; the future adequacy of our current warehousing, logistics and information technology operations; changes in Danish, E.U., Thai or other laws and regulation or any interpretation thereof, applicable to our business; increases to our effective tax rate or other harm to our business as a result of governmental review of our transfer pricing policies, conflicting taxation claims or changes in tax laws; and other factors referenced in this company announcement.

Should one or more of these risks or uncertainties materialize, or should any underlying assumptions prove to be incorrect, our actual financial condition, cash flows or results of operations could differ materially from that described herein as anticipated, believed, estimated or expected.

We do not intend, and do not assume any obligation, to update any forward-looking statements contained herein, except as may be required by law or the rules of NASDAQ OMX Copenhagen. All subsequent written and oral forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this company announcement.