

INTERIM REPORT FOR Q2 2015 - PANDORA INCREASES REVENUE WITH 41.4% DRIVEN BY A STRONG DEVELOPMENT ACROSS ALL REGIONS

- Group revenue in Q2 2015 was DKK 3,598 million, an increase of 41.4% or 25.8% in local currency, compared with Q2 2014:
 - Americas increased by 43.8% (19.4% increase in local currency)
 - Europe increased by 38.0% (32.0% increase in local currency)
 - Asia Pacific increased by 44.1% (26.9% increase in local currency)
 - Revenue from concept stores increased by 54.7% and corresponded to 59.3% of the total revenue
- The gross margin increased to 71.5% in Q2 2015, compared with 70.7% in Q2 2014
- EBITDA increased by 46.8% to DKK 1,311 million in Q2 2015, corresponding to an EBITDA margin of 36.4%, compared with 35.1% in Q2 2014
- Net profit for the quarter was DKK 910 million, compared to a net profit of DKK 662 million in Q2 2014
- Free cash flow was DKK -268 million in Q2 2015 (or DKK 374 million excluding tax and interest expenses of DKK 642 million relating to settlement of transfer pricing audit) compared with DKK 547 million in Q2 2014
- During Q2 2015, PANDORA bought back 1,433,607 own shares at a total value of DKK 982 million as part of the ongoing DKK 3.9 billion share buyback programme, corresponding to 1.2% of the total share capital.

FINANCIAL GUIDANCE FOR 2015

Based on the strong performance in the second quarter, as well as favourable exchange rate fluctuations, PANDORA has decided to increase revenue guidance to more than DKK 16.0 billion (previously more than DKK 15.0 billion). Growth will be driven by like-for-like growth in existing stores as well as expansion of the store network, with network expansion contributing slightly more to growth (previously expected to contribute equally). Assuming current exchange rates, PANDORA expects a full year tailwind effect from currencies on revenue of around 12% compared to 2014. This compares to a tailwind of around 10% anticipated in May 2015 in connection with the announcement of the Q1 2015 interim report. The EBITDA margin expectation is unchanged, and is expected to be approximately 37%. All expectations are based on current exchange rates.

	FY 2015 New guidance	FY 2015 Previous guidance	FY 2014 Actual
Revenue, DKK billion	>16.0	>15.0	11.9
EBITDA margin	approx. 37%	approx. 37%	36.0%
CAPEX, DKK million	approx. 900	approx. 900	455
Effective tax rate	approx. 30%	approx. 30%	20%

PANDORA plans to continue to expand the store network and now expects to add more than 375 new concept stores in 2015 (versus previously expected more than 325).

In connection with the Q2 2015 results Anders Colding Friis, CEO of PANDORA, stated:

"We are very pleased to report yet another strong quarter, both in terms of top line development and profitability. All major regions once again delivered double digit revenue growth and our focus on concept stores continues to pay off, with revenue growth in the quarter of more than 50%. Growth was driven by a combination of network expansion and strong like-for-like growth, supported by revenue enhancing initiatives such as the continued roll out of our eSTORE and our collaboration with Disney."

CONFERENCE CALL

A conference call for investors and financial analysts will be held today at 10.00 CET and can be joined online at www.pandoragroup.com. The presentation for the call will be available on the website one hour before the call.

The following numbers can be used by investors and analysts:

DK: +45 3271 1659

UK (International): +44 (0) 2034 271 901

US: +1 212 444 0412

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 "Pandora" when dialling into the conference.

ABOUT PANDORA

PANDORA designs, manufactures and markets hand-finished and contemporary jewellery made from high-quality materials at affordable prices. PANDORA jewellery is sold in more than 90 countries on six continents through approximately 9,500 points of sale, including more than 1,500 concept stores.

Founded in 1982 and headquartered in Copenhagen, Denmark, PANDORA employs more than 14,200 people worldwide of whom approximately 10,000 are located in Gemopolis, Thailand, where the company manufactures its jewellery. PANDORA is publicly listed on the NASDAQ Copenhagen stock exchange in Denmark. In 2014, PANDORA's total revenue was DKK 11.9 billion (approximately EUR 1.6 billion).

CONTACT

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