INVESTOR PRESENTATION

FULL YEAR 2012

26 February 2013

PANDORA
UNFORGETTABLE MOMENTS

AGENDA

AGENDA

- 2012 highlights:
    - Key financials 2012
    - Stock balancing campaign and discontinued items
    - Performance of new collections
    - Sales-out
    - Guidance 2013
    - Capital structure – dividend and share buyback programme
- Q4 2012 highlights
- Recap and Q&A

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Certain statements in this presentation 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; and

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IMPORTANT EVENTS IN 2012

CEO MESSAGE

- Full year reported numbers slightly better than anticipated – revenue of DKK 6,652m and an EBITDA margin of 24.9%
- Stock balancing campaign of DKK 609m to improve quality of retailer’s stock completed
- Collections launched during 2012 continue to do very well in terms of sales -in and sales-out
- All major markets have positive and improving Like for Like sales-out in the Concept stores
- Dividend of DKK 5.50 per share for 2012 – targeting a stable and increasing nominal number going forward
- Share buyback of DKK 700m initiated

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KEY FINANCIALS FY 2012

P&L, CF (% change Y/Y)

	FY 2012
Revenue (DKKm) Change	6,652 -0.1%
EBITDA (DKKm) Change	1,658 -27.3%
Net Profit (DKKm) Change	1,202 -41.0%
*Net Profit (DKKm) Change	1,151 -24.6%
Free cash flow (DKKm) Change	1,151 -31.1%
Dividend per share (DKK) Pay-out ratio	5.50 59%

MARGINS

	FY 20112	FY 2011
Gross Margin	66.6%	73.0%
EBITDA Margin	24.9%	34.3%
EBIT Margin	22.2%	30.9%

CASH CONVERSION, ROIC, DEBT

	FY 2012	FY 2011
Cash conversion	95.8%	82.0%
ROIC	25.0%	34.7%
NIBD (DKKm) NIBD to EBITDA	-183 -0.1	209 0.1

* Excluding adjustment of CWE earn-out provision of DKK 51 million in 2012 and DKK 511 million in 2011

ONE-OFF STOCK BALANCING CAMPAIGN FINALISED IN Q4 2012

TIME LINE STOCK BALANCING CAMPAIGN

Q1 2012	Q2 2012	Q3 2012	Q4 2012/2012 FY
• Received discontinued products of DKK 340m • Replaced with best sellers products in Q1 DKK 162m	• Received discontinued products of DKK 183m • Replaced with best seller products in Q2 DKK 310m	• Received discontinued products of DKK 86m • Replaced with best seller products in Q3 DKK 127m	• Received discontinued products of DKK 0m • Replaced with best seller products in Q4 DKK 10m
	• Accumulated received: DKK 523m • Accumulated replaced: DKK 472m	• Accumulated received: DKK 609m • Accumulated replaced: DKK 599m	• Accumulated received: DKK 609m • Accumulated replaced: DKK 609m

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DEALING WITH DISCONTINUED ITEMS IN THE FUTURE

IMPROVING QUALITY OF RETAILERS' STOCK AND TURN

- Being a wholesaler – but acting like a retailer:
  - More frequent and smaller drops of new product launches
  - Closely monitoring daily sales-out development at SKU levels
  - Better balance between sales-in and sales-out reducing risk of excess stock at retailers
- Three avenues of clearing stock at retail going forward:
  - Retailers' sales campaigns on discontinued items twice a year
  - Clearing discontinued items through online as well as offline outlet channels
  - Take back discontinued items from retailers on an on-going basis
    - Provisions as of 2012 for discontinued items was DKK 416m in gross margin value (DKK 225m in 2011) – corresponding to approximately 9% of 2012 revenue, compared to approximately 5% of revenue in 2011

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PERFORMANCE OF SPRING/SUMMER AND AUTUMN/WINTER 2012 COLLECTIONS

Autumn 2012

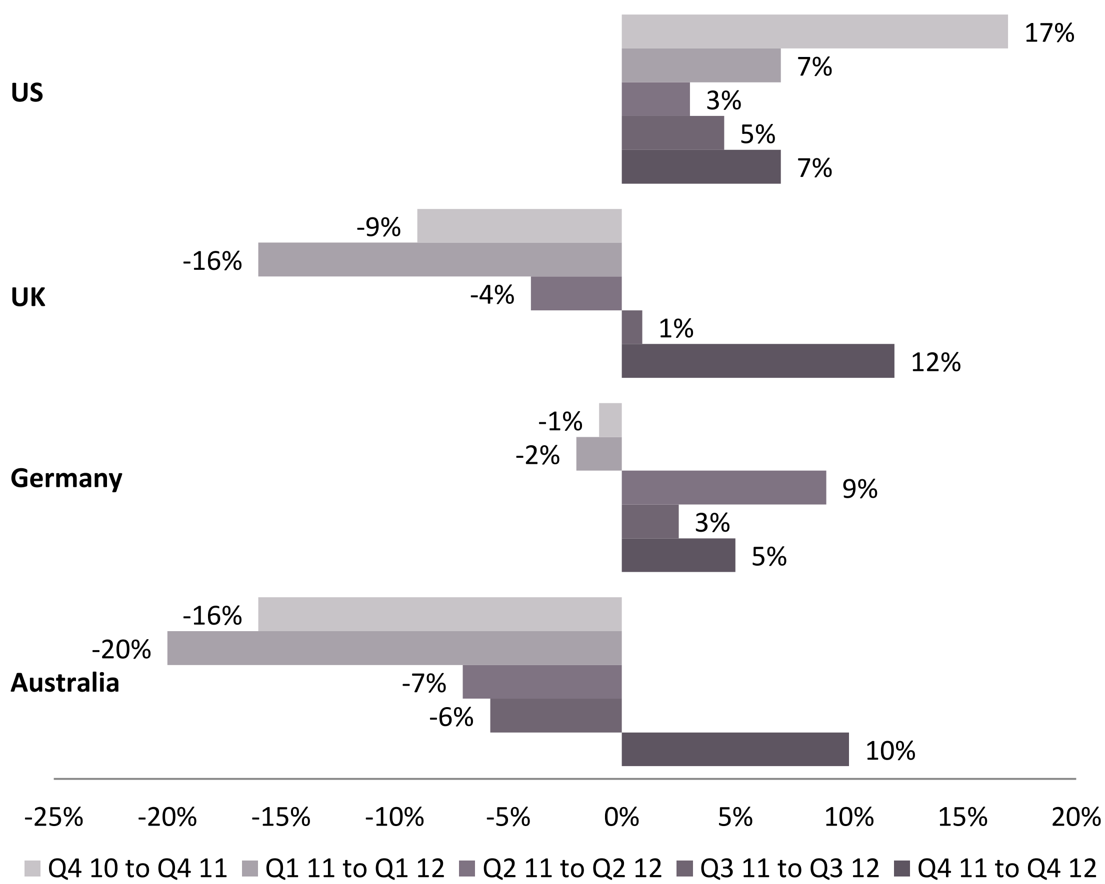
Christmas 2012

COMMENTS

- During 2012 we launched new exciting products at commercial prices
- We continue to see our 2012 collections perform very well – both in terms of sales-in, but more importantly sales-out at our retailers
- Rings continue to gain foothold. This important segment will continue to be in focus going forward
- Valentine’s Day drop delivered in Q1 2013

SALES-OUT POSITIVE IN ALL MAJOR MARKETS

LIKE FOR LIKE CONCEPT STORES – SALES-OUT DEVELOPMENT



COMMENTS

- New products and focused execution in Concept stores driving improvements in sales-out
- Continued sales-out growth in the US
- UK showed strong positive development
- Germany stayed in positive territory
- Australia saw solid rebound

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2013 FINANCIAL GUIDANCE

2013 FINANCIAL GUIDANCE

- Revenue above DKK 7.2 billion
- EBITDA margin above 25%
- CAPEX around DKK 300 million
- Effective tax rate of approximately 19%

- During 2013 PANDORA expects to open approximately 150 Concept stores

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CAPITAL STRUCTURE

CAPITAL STRUCTURE RATIO TARGET OF 0–1x NIBD/EBITDA

- Board of Directors has analysed what it believes to be an optimal capital structure for the Company
- The outcome of this analysis is a combination of a change in dividend policy as well as an initiation of a share buyback Programme
- Going forward, the Board of Directors aims to maintain a stable and then increasing nominal dividend per share, using the 2011 dividend of DKK 5.50 per share as reference
- Surplus capital should be distributed through share buyback programmes or as an extraordinary dividend in order to reach an optimal capital structure, which the Board of Directors, at this point in time, view as a NIBD/EBITDA ratio of 0-1x on 12 months rolling basis
- This policy and our ability to distribute surplus capital to our shareholders will be dependent upon, amongst other things, the availability of sufficient distributable reserves, the Company's financial condition, results of operations, capital requirements and such other factors as the Board of Directors may deem relevant

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DIVIDEND AND SHARE BUYBACK PROGRAMME

DIVIDEND OF DKK 5.5 PER SHARE AND DKK 700m SHARE BUYBACK IN 2013

- Board of Directors proposes a dividend of DKK 5.50 per share for 2012
- Share buyback programme of up to DKK 700m during 2013
- Prometheus Invest ApS has undertaken to participate in the Programme on a pro rata basis, in order to secure that the current free float is not reduced
- The Board of Directors intends to propose to PANDORAs shareholders at the Annual General Meeting in 2014 that PANDORAs share capital be reduced by cancelling the shares purchased under the Programme. PANDORA may also use the shares purchased under the Programme to meet obligations arising from employee share option programmes. Deducting existing treasury shares (182,925), the net obligation at 31 December 2012 was 925,198 shares
- PANDORA is entitled to terminate the Programme at any time as a consequence of changes to the Company's business, financial position or changes in the market

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SHARE BUYBACK PROGRAMME – THE MECHANICS

DKK 700m SHARE BUYBACK IN 2013 – THE MECHANICS

- The Programme will be implemented under the Safe Harbour regulations (EC no. 2273/2003):
- The maximum total consideration for PANDORA shares bought back in the period of the Programme is DKK 700 million
- The Programme will end no later than 31 December 2013 and a maximum of 12,831,400 PANDORA shares will be bought under the Programme, which together with the Company's holding of treasury shares of 182,925 shares at the date of this announcement will equal 10% of the shares issued in PANDORA
- The maximum number of shares to be bought per daily market session will be the equivalent to 25% of the average daily volume of shares in the Company traded on NASDAQ OMX Copenhagen during the preceding 20 business days
- Shares cannot be purchased at prices higher than the two following prices:
    - The price of the latest independent trade
    - The price of the highest independent bid on NASDAQ OMX Copenhagen
- The Company will on a weekly basis issue an announcement in respect of transactions made under the Programme.

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KEY FINANCIALS Q4 2012

P&L, CF (% change Y/Y)

	Q4 2012
Revenue (DKKm) Change	2,174 11.4%
EBITDA (DKKm) Change	534 1.9%
Net Profit (DKKm) Change	421 -24.1%
*Adj. net Profit (DKKm) Change	370 8.8%
Free cash flow (DKKm) Change	1,030 10.7%

MARGINS

	Q4 2012	Q4 2011
Gross Margin	64.5%	72.7%
EBITDA Margin	24.6%	26.8%
EBIT Margin	22.4%	24.3%

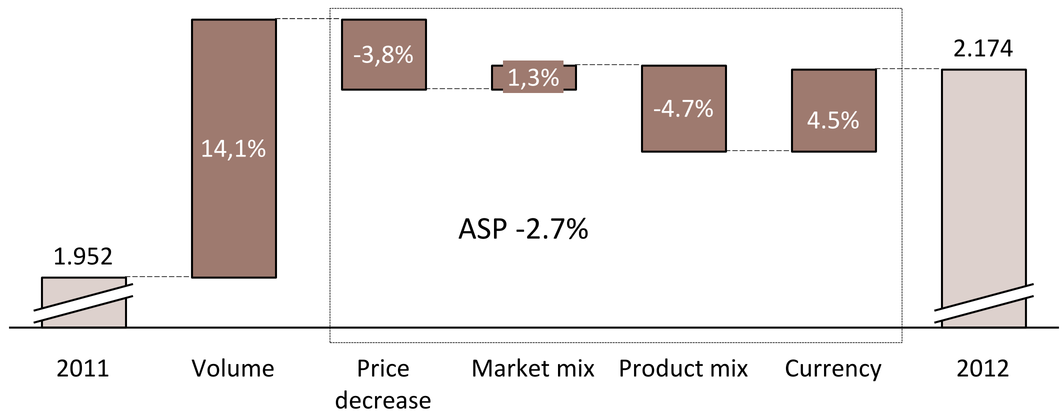
CASH CONVERSION, ROIC, DEBT

	Q4 2012	Q4 2011
Cash conversion	244.7%	167.6%
ROIC	25.0%	34.7%
NIBD (DKKm) NIBD to EBITDA	-183 -0.1	209 0.1

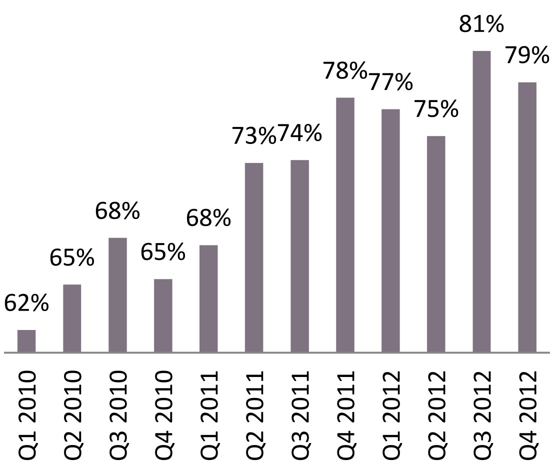
* Excluding adjustment of CWE earn-out provision of DKK 51 million in Q4 2012 and DKK 215 million in Q4 2011

REVENUE DEVELOPMENT SLIGHTLY BETTER THAN PREVIOUSLY ANTICIPATED

REVENUE (DKKm)



Share of branded revenue



REVENUE PER CHANNEL

	Q4-2012
Concept stores	45.2%
SiS	17.6%
Gold	16.3%
Total Branded	**79.1%**
Silver	8.6%
White & TR	8.5%
Total unbranded	**17.1%**
Total Direct	**96.2%**
3rd party	3.8%
Total	**100.0%**

COMMENTS

- Total revenue increased by 11.4% positively impacted by higher share of O&O as well as UK, Other Europe, Australia and FX…
- …and negatively impacted by Germany and delivery of Valentine's in Q1 2013
- Branded distribution generating more than three-quarter of Q4 12 revenue with CS as largest contributor
- Direct distribution accounts for more than 96% of revenue generated in Q4 12

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MAJOR MARKETS DEVELOPMENT

REVENUE BREAKDOWN BY GEOGRAPHY (DKKm)

	Q4-2012	Q3-2012	Q2-2012	Q1-2012	Q4-2011	% change	% LC change
Americas	**939**	**920**	**687**	**766**	**883**	**6.3%**	**1.5%**
US	738	711	521	609	701	5.3%	0.8%
Other	201	209	166	157	182	10.4%	
Europe	**966**	**699**	**403**	**474**	**779**	**24.0%**	**20.7%**
UK	384	249	102	134	344	11.6%	5.0%
Germany	154	130	85	100	184	-16.3%	-16.0%
Other	428	320	216	240	251	70.5%	
Asia Pacific	**269**	**175**	**170**	**184**	**290**	**-7.2%**	**-13.4%**
Australia	243	120	131	124	210	15.7%	7.9%
Other	26	55	39	60	80	-67.5%	
Total	**2,174**	**1,794**	**1,260**	**1,424**	**1,952**	**11.4%**	**6.9%**

COMMENTS

- All regions positively impacted by currencies
- Americas continued to perform – Canada doing well in Other Americas segment
- UK in line with Group…
- … while Germany continued to see negative y/y development
- Other Europe driven by Russia, Spain and Italy
- Rebound in Australia…
- Other Asia negatively impacted by inventory take-back in Japan (DKK 38m)

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DEVELOPMENT IN OUR DISTRIBUTION NETWORK

NUMBER OF STORES AND OPENINGS

	Number of stores				Net openings				
	Q4 2012	Q3 2012	Q4 2011	% of total	Q4 2012	Q3 2012	Q2 2012	Q1 2012	Q4 2011
Concept stores	895	823	672	8.6%	72	57	68	26	104
Shop-in-Shop	1,265	1,204	1,182	12.2%	61	114	2	-94	121
Gold	2,294	2,130	1,821	22.1%	164	154	-30	185	93
Total branded	**4,454**	**4,157**	**3,675**	**42.9%**	**297**	**325**	**40**	**117**	**318**
Silver	3,073	2,935	2,698	29.6%	138	-108	86	259	26
White	2,847	3,128	4,359	27.5%	-281	-440	-182	-609	-12
Total	**10,374**	**10,220**	**10,732**	**100%**	**154**	**-223**	**-56**	**-233**	**332**

NUMBER OF STORES, KEY NEW MARKETS

	End of Q4 2012							**Net openings**		
	Russia	China	Japan	Rest of Asia	France	Italy	**Total**	Q4 2012	Q3 2012	Q2 2012
Concept stores	69	24	4	47	12	13	**169**	30	16	27
Shop-in-shop	12	18	16	42	30	8	**126**	12	9	14
Total	**81**	**42**	**20**	**89**	**42**	**21**	**295**	**42**	**25**	**41**

COMMENTS

- 72 Concept store net openings in Q4 12 in line expectations
- Openings in new markets still affected by a more selective roll-out approach in Other Asia, as a consequence of our on-going business review of this region
- Total number of POS decline from continuous closing of unbranded POS, primarily in Europe

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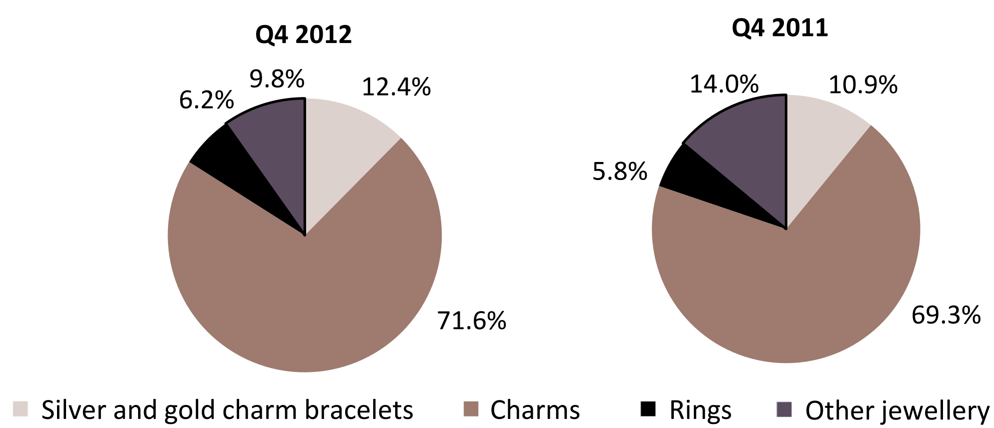
PRODUCT MIX STILL AFFECTED BY THE ONE-OFF STOCK BALANCING CAMPAIGN CONDUCTED DURING 2012

PRODUCT MIX (DKKm)

	Q4-2012	Q4-2011	% change	% of total	Received Q4 2012	Replaced Q4 2012
Charms	1,557	1,353	15.1%	71.6%	0	4
Silver and gold charms bracelets	270	272	-0.7%	12.4%	0	4
Rings	135	114	18.4%	6.2%	0	1
Other jewellery	212	213	-0.5%	9.8%	0	1
Total	**2,174**	**1,952**	**11.4%**	**100.0%**	**0**	**10**

PRODUCT SPLIT AS PERCENTAGE OF TOTAL REVENUE



COMMENTS

- Product mix continue to be affected by stock balancing campaign conducted during 2012
- New ring collection continue to sell well

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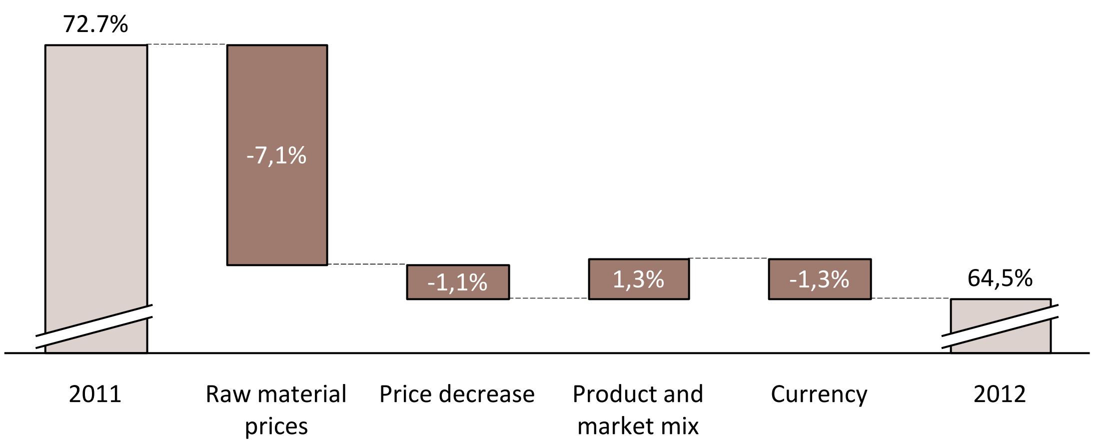
GM IMPACTED BY INCREASING RAW MATERIAL PRICES

GROSS PROFIT (DKKm) AND GROSS MARGIN (%)

	Q4 2012	Q4 2011	FY 2012	FY 2011
Gross Profit	1,403	1,420	4,429	4,860
Gross Margin %	64.5%	72.7%	66.6%	73.0%
Adjustments				
Adj. Gross Profit	1,403	1,420	4,429	4,860
Adj. Gross Margin	**64.5%**	**72.7%**	**66.6%**	**73.0%**

GM (DKKm)



COMMENTS

- Gross margin negatively impacted by increasing raw material prices (-7.1%), price changes (-1.1%), product and market mix (1.3%) and currencies (-1.3%)
- No impact from stock campaign
- Excluding hedging and inventory time lag, underlying gross margin would have been approximately 65% based on average gold and silver prices in Q4 2012
- Gross margin impact of +/-2-3pp if 10% deviation on commodities

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NEGATIVE IMPACT FROM RAW MATERIAL ON GROSS MARGIN PARTIALLY OFFSET BY LOWER OPERATIONAL EXPENSES

OPEX, EBITDA (DKKm) AND MARGIN (%)

	Q4 2012	Q4 2011	FY 2012	FY 2011
Gross margin				
% of revenue	64.5%	72.7%	66.6%	73.0%
DKKm	1,403	1,420	4,429	4,860
Operational expenses				
% of revenue	42.2%	48.4%	44.4%	42.1%
DKKm	917	945	2,954	2,802
Distribution costs				
% of revenue	31.5%	35.8%	31.3%	30.9%
DKKm	686	699	2,084	2,053
Of which marketing costs				
% of Revenue	13.4%	20.1%	12.4%	14.6%
DKKm	293	392	823	973
Administrative costs				
% of revenue	10.6%	12.6%	13.1%	11.2%
DKKm	231	246	870	749
D&A*	48	49	183	223
EBITDA	534	524	1,658	2,281
% of revenue	24.6%	26.8%	24.9%	34.3%

COMMENTS

- Distribution costs virtually flat with:
  - Sales and distribution cost increase based on entry into new markets and higher share of O&O, offset by
  - Marketing costs down compared to an unusually high level in Q4 11
- Administrative costs slightly down

*Including gains/losses from sale of assets

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REGIONAL EBITDA MARGINS SIGNIFICANTLY IMPACTED BY LOWER GROSS MARGIN

EBITDA MARGIN

	Q4 2012	Q3 2012	Q2 2012	Q1 2012*	Q4 2012 vs. Q3 2012 (% pts)	Q4 2011	Q4 2012 vs. Q4 2011 (% pts)
Americas	36.0%	43.6%	44.0%	49.9%	-8.5%	46.1%	-10.1%
Europe	26.8%	35.9%	5.0%	16.0%	-10.2%	34.9%	-8.1%
Asia Pacific	31.2%	21.1%	13.5%	27.2%	+9.0%	33.4%	-2.2%
Unallocated costs[1]	-6.8%	-10.4%	-9.9%	-7.5%	+4.7%	-12.9%	+6.1%
Group EBITDA margin	**24.6%**	**28.0%**	**17.5%**	**28.2%**	**-3.4%**	**26.8%**	**-2.2%**

* In the Q1 2012 report, the reported regional EBITDA margins were: 51.8% for Americas, 14.1% for Europe and 23.9% for Asia. In the above table, the regional EBITDA margins for Q1 12 has been recalculated incorporating the difference between volumes received and volumes returned in Q1 2012 in connection with the global stock balancing campaign based on standard cost in order to isolate the effect from deferred volumes from one quarter to the next.

[1] Unallocated costs includes HQ costs, central marketing and administration cost in Thailand

COMMENTS

- The Americas region EBITDA margin remained above Group average, despite negative impact from the suspension of import duties of goods manufactured in Thailand under the U.S. Generalized System of Preferences programme
- The EBITDA margin in Europe still affected by development costs in new markets
- The EBITDA margin in Asia Pacific positively affected by increase in revenue in Australia and negatively impacted by inventory take-back from distributor in Japan

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FINANCIAL ITEMS, TAX AND NET PROFIT

INTEREST, TAX AND MINORITIES (DKKm)

DKKm	Q4 2012	Q4 2011	FY 2012	FY 2011
EBIT	**486**	**475**	**1,475**	**2,058**
Financial expenses	-27	-107	-135	-331
Financial income	67	252	139	642
Profit before tax	**526**	**620**	**1,479**	**2,369**
Income tax expenses	-105	-65	-277	-332
Effective tax rate	20.0%	10.5%	18.7%	14.0%
Group net profit	**421**	**555**	**1,202**	**2,037**
Minority interests	-	-	-	-
Net profit attributable to shareholders	**421**	**555**	**1,202**	**2,037**

COMMENTS

- Net financial income amounted to DKK 4 million in 2012
- Financial expenses in Q4 2011 were significantly impacted by unrealised FX loss. Financial income were significantly impacted by revaluation of the CWE earn out.
- Effective full year tax rate 18.7%

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WORKING CAPITAL

WORKING CAPITAL

DKKm	Q4 2012	Q3 2012	Q2 2012	Q1 2012	Q4 2011
Inventory	1,318	1,922	1,925	1,668	1,609
Trade receivables	940	982	543	704	900
Trade payables	219	174	185	143	288
Operating working capital	**2,039**	**2,730**	**2,283**	**2,229**	**2,221**
% of revenue[1]	*30.7%*	*42.3%*	*36.8%*	*35.2%*	*33.4%*
Other receivables	502	505	320	302	177
Tax receivables	138	46	45	43	41
Provisions[2]	470	283	280	248	243
Income tax payable	283	324	295	378	344
Other payables	692	576	648	616	775
Net working capital including derivatives	**1,234**	**2,098**	**1,425**	**1,332**	**1,077**
% of revenue[1]	*18.6%*	*32.5%*	*23.0%*	*21.0%*	*16.2%*
Derivatives	43	-61	205	68	250
Net working capital excluding derivatives	**1,277**	**2.037**	**1.630**	**1.400**	**1,327**
% of revenue[1]	*19.2%*	*31.5%*	*26.3%*	*22.1%*	*19.9%*
Free cash flow	**1,030**	**-88**	**91**	**118**	**930**
Cash conversion[3]	**244.7%**	**-23.6%**	**144.4%**	**34.9%**	**167.6%**
Adjusted cash conversion[3]	***244.7%***	***-23.6%***	***144.4%***	***34.9%***	***167.6%***
ROIC[4]	**25.0%**	**22.0%**	**24.2%**	**29.9%**	**34.7%**

COMMENTS

- Operating working capital improved primarily due to significant reduction in inventory, despite…
- …Gold and silver prices up approximately 20%

[1]% of revenue in relation to last twelve months' revenue. DKK 6,652m for the period ended 31 December 2012
[2] Excluding earn-out
[3] Calculated as free cash flow / net profit
[4]Calculated as last 12 months' EBIT / Invested capital (at end of period)

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2012 IN SUMMARY

- Group revenue was DKK 6,652m
- Gross margin of 66.6%
- EBITDA was DKK 1,658 million (margin of 24.9%)
- Stock balancing campaign completed
- New products continue to do well
- Revenue for 2013 expected above DKK 7.2bn and EBITDA margin above 25%
- Dividend of DKK 5.5 per share
- Share buyback of up to DKK 700m
- Main focus continues to be on the consumer, the product and sales-out

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QUESTIONS AND ANSWERS

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