Douglas

Deutsche Bank – 20th Annual European Leveraged Finance Conference

8 June 2016

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1. Business overview

Douglas at a glance

Large & attractive market[1]

EUR 16.3bn [2]

EUR 2.7bn

EUR 3.2bn

Market leader

#1	#1	#2	#2	#1	#2
Europe[1]	Germany	France	Netherlands	Poland	Austria

Pan-European reach

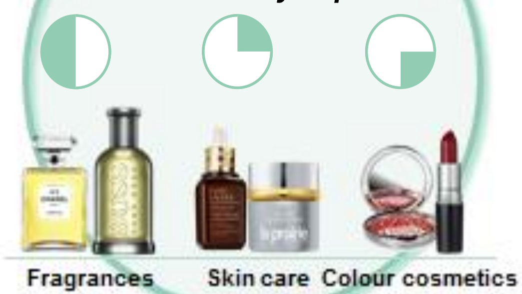
'Must-have' platform

> 1,400 3rd-party brands
~ 70 private label lines & exclusive brands[4]

BIOTHERM BOSS CHANEL CLINIQUE Dior ESTĒE LAUDER GIORGIO ARMANI HERMÈS PARIS LANCÔME la prairie MAC paco rabanne YvesSaintLaurent

Consumer destination

More than 45k SKUs[5]
Trusted beauty expert



Unique scale[6]

EUR 2.7bn sales

EUR 302m sales e-com

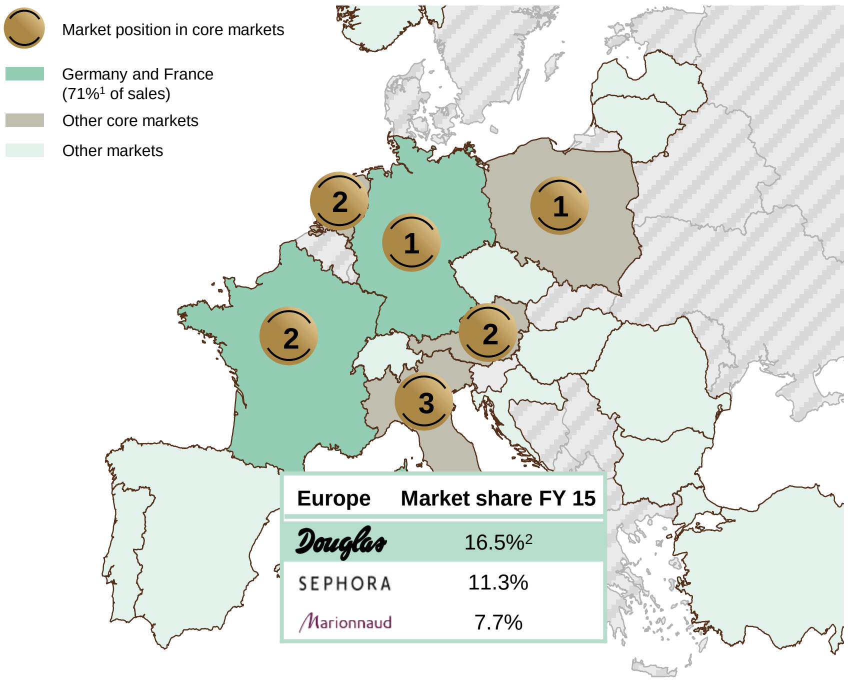
EUR 319m Adj. EBITDA

Source: OC&C, Management information;
[1] CY15 extrapolated based on CY13 actual figures; [2] Europe definition follows definition in OC&C analysis (47 countries); [3] Including 138 franchise stores as of 30-Mar-2016; [4] Definition of exclusive brands varies by country; includes number of exclusive brands in Germany and in France for which Douglas/Nocibé is the exclusive distributor for the entire/the majority of a brand's portfolio in relevant categories (fragrances, colour cosmetics, skin care); [5] Represents Douglas' online assortment in core selective categories, SKUs per store vary depending on store size. Core selective categories include fragrances, skin care and colour cosmetics; [6] Represents LTM Mar 2016

Approximate % of total sales

Douglas is the clear market leader in selective beauty care retailing in Europe

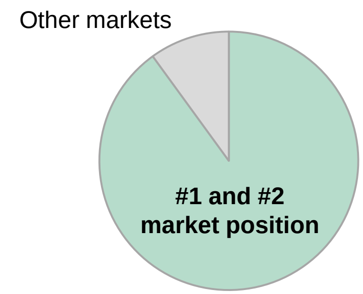
Unique pan-European reach and market leadership



Europe	Market share FY 15
Douglas	16.5%[2]
SEPHORA	11.3%
Marionnaud	7.7%

Core countries	GER	FRA	IT	NL	PL	AT
Market size CY 15 (EUR bn)[4]	2.7	3.2	1.6	0.6	0.3	0.3

Share of sales in markets with #1 or #2 position



Key highlights

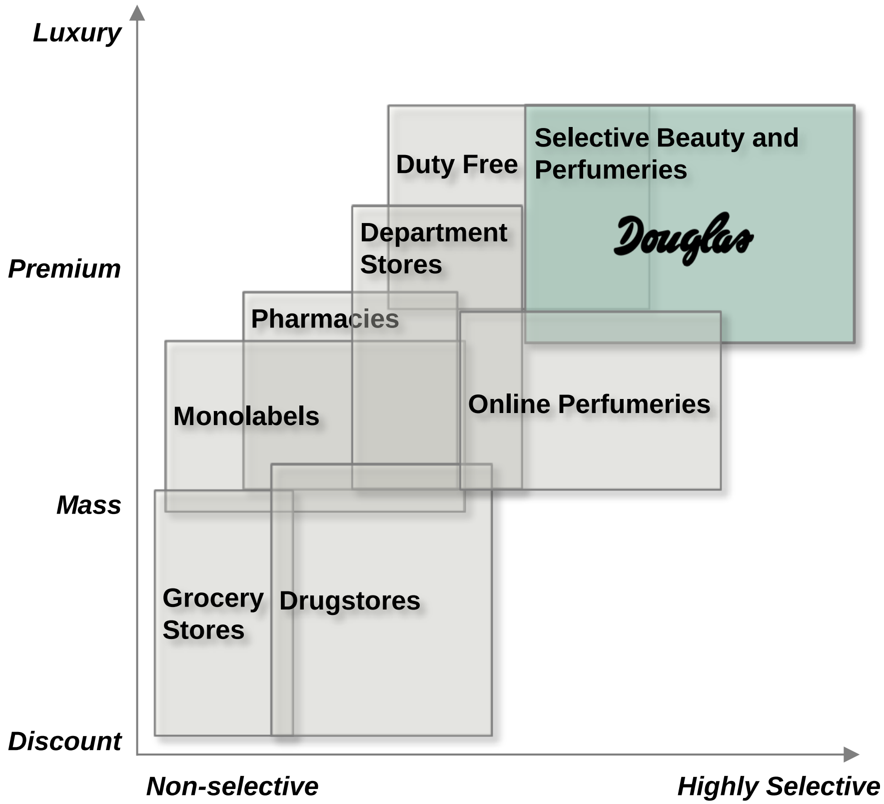
- **#1 in Europe**, ahead of Sephora and Marionnaud
- **#1 in Germany**, the second largest selective beauty care market in Europe
- **#2 in France**, following the strategic acquisition of Nocibé
- **Standing out amongst competitors** through strong brand, unparalleled customer service, unique network of ~1,700 stores[3] and pan-European multi-channel customer reach
- Douglas as **distribution platform-of-choice** for key national and international brands in selective beauty

Source: Based on OC&C

[1] Based on LTM Mar 2016 financials; [2] Based on 2015 sales, excl. group consolidations, incl. franchises; [3] Includes 138 franchise stores as of 30-Mar-2016; [4] CY15 Market sizes extrapolated based on CY13 actual figures

Focus on a sizeable and very attractive market segment, benefitting from compelling industry economics and high market defensibility

Attractive positioning in the selective premium segment



Comments

Selective distribution

- Key instrument for suppliers to secure the exclusivity and brand appeal of their brands
- Only limited number of retailers meet suppliers' high standards with respect to quality of presentation and premium brand environment
- Suppliers favour retailers with strong brand awareness and customer reach as well as nationwide store networks and deep market penetration
- **Douglas as proven and trusted retailer of choice for key brands in selective beauty**

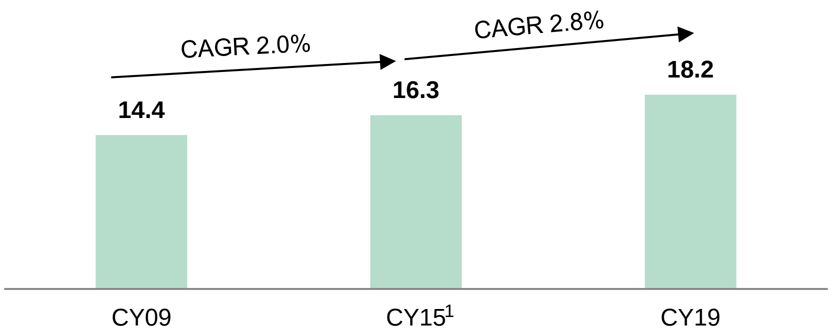
Market defensibility

- Scale requirements
- Attractive shopping experience and prestige selling environment as key requirements
- **Douglas' market position very robust and highly defendable**

Focus on a sizeable and very attractive market segment, benefitting from compelling industry economics and high market defensibility (cont'd)

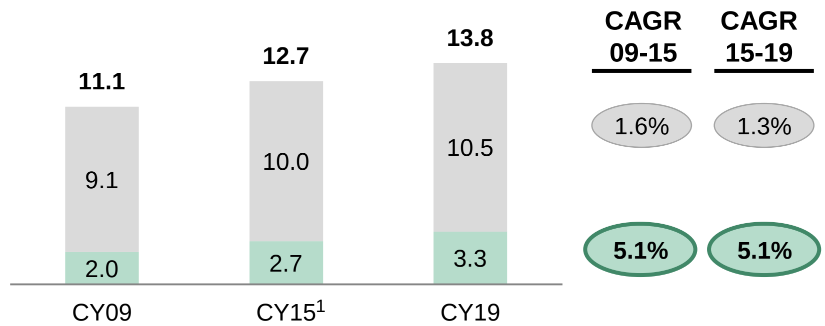
Sizeable and attractive European selective market…

Europe (EUR bn)

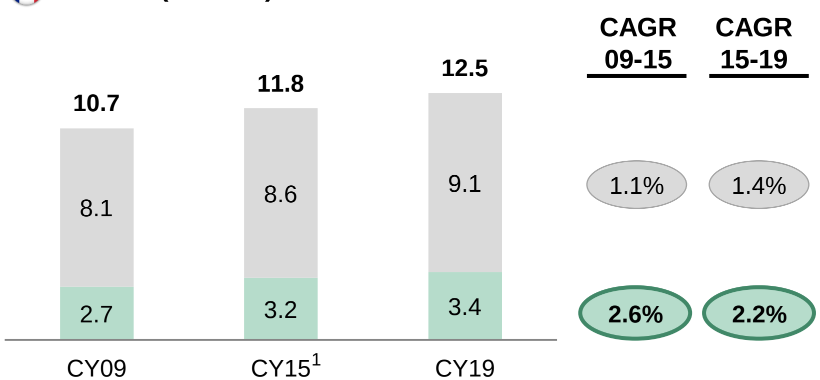


Selective beauty care market outgrowing the mass market

Germany (EUR bn)



France (EUR bn)



Selective channel Mass channel[2]

Source: OC&C

[1] CY15 extrapolated based on CY13 actual figures; [2] Includes mass beauty and hygiene

Douglas

The selective beauty market is shaped by positive, long-term consumer trends

'Beauty on the rise'

- Increasing demand for beauty products by customer groups **across age and gender**
- Growing segment of **quality / brand-oriented consumers** aged 50+
- **Male customers** dedicating more time and discretionary income to their physical appearance

'Small luxuries' / 'personal reward'

- Growing demand for small, affordable 'feel-good' products
- FMCG product categories are shifting to **more premium offerings**
- **Continued demand for beauty products** when other substantial discretionary purchases have to be given up during economic downturns

'Shopping as an experience'

- Customers are looking for **unique shopping experiences** in attractive surroundings
- While consumers are increasingly purchasing online, the nature of beauty products favours **omni-channel players with a modern, accessible stationary network** as consumers want to see, feel and smell beauty products

'Products for demanding customers'

- Increasingly **demanding and well-informed customers** are looking for tailored products
- Growing demand for healthy, natural, sustainable / vegan and innovative products
- Increasing focus on **private label products**

Source: OC&C

Established assortment authority and superior customer proposition making Douglas a strong brand for selective beauty care in Europe

Douglas: The 'beauty expert' across categories

Fragrances (52%)	Skin Care (22%)	Colour Cosmetics (21%)	Other (5%)
Women	Face	Lips	Hair care
Men	Body	Nails	Bath & Shower
	Hands & Feet	Eyes	Deodorants
	Sun care	Complexion	Living
		Make-up brushes	Other accessories
		Accessories	Professional beauty

5% — % of total segmental sales (FY 2014/15)

Partner of choice for all major national & international brands[1]

Luxury

la prairie · LA MER · Yves Saint Laurent · CHANEL · Dior · GUERLAIN · HERMÈS · ESTĒE LAUDER · D&G · BVLGARI · BOSS · GUCCI · SHISEIDO · URBAN DECAY · CLARINS · MAC · CLINIQUE · JIL SANDER · DIESEL · Calvin Klein · Davidoff · PUMA · Christina Aguilera · BeYu · ARTDECO

Affordable

More than 45k SKUs[2] – more than any other beauty specialist retailer in Europe

Key highlights

- Long-term consumer recognition as **the trusted beauty care destination in Europe**
  - Very high **brand awareness**, especially in home market Germany
  - Assortment range includes **more than 45k[2] SKUs** in core selective categories – more than any other beauty specialist retailer
  - One of the most important **industry catalysts for the distribution of new brands and product innovations** across Europe

[1]Illustrative selection only; [2] Represents Douglas' online assortment in core selective categories, SKUs per store vary depending on store size. Core selective categories include fragrances, skin care and colour cosmetics

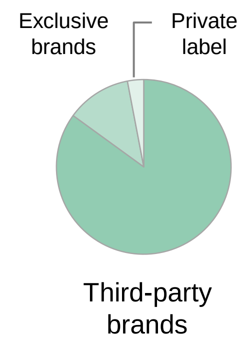
Further strengthening of Douglas' differentiated customer proposition through a complementary offering of private labels and exclusive brands

Douglas | NOCIBÉ la beauté libérée

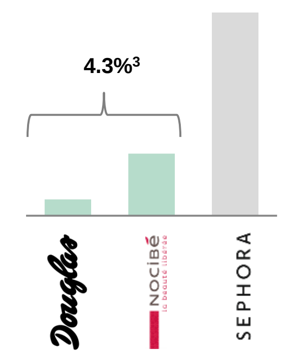
Private labels

Exclusive brands[1]

Brand mix



Private label potential



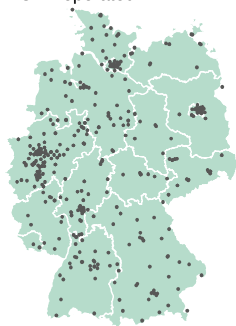
Key highlights

- **Fast-growing private label product range**
  - Attractive entry level price points with high margins
  - Currently only 4.3% of sales, well below the levels of Nocibé in France and of best-in-class competitors
- Further strengthening of Douglas' private label offering, **leveraging in particular on Nocibé's strong private label capabilities**
- **Key differentiator** and **margin driver**

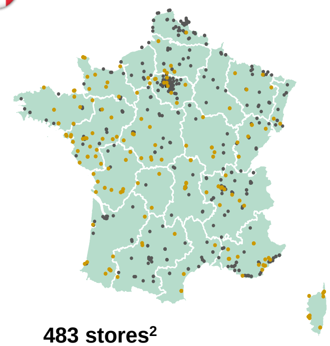
[1] Definition of exclusive brands varies by country; [2] Represents number of exclusive brands in Germany and France and comprises brands for which Douglas/Nocibé is the exclusive distributor for the entire/the majority of a brand's product portfolio in relevant categories (fragrances, colour cosmetics, skin care); [3] LTM Mar 2016

Pan-European, modern and well-invested store network in prime locations – a ‘must-have’ distribution platform for major brand suppliers

Nationwide coverage in Europe’s largest/most attractive markets



435 stores[1]
28% of total Douglas stores



483 stores[2]
31% of total Douglas stores

Store impressions

‘Must-have’ distribution platform for beauty care

Sales in EUR m (CY15) — *# of stores (latest available)*

Germany

	Sales in EUR m (CY15)	# of stores
Douglas		435[1]
Department stores		c.190[3]
No.2 + No.3[4]		c.500
		c.130
HC Parfümerie	N/A	c.80

France

	# of stores
Sephora	c.330
Nocibé	483[2]
Marionnaud	c.520
Beauty Success	c.320
	c.160
Galeries Lafayette	c.60
Printemps	c.20

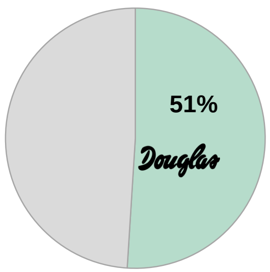
Key highlights

- **Well-invested store portfolio in prime locations**
  - Modern design and prestige store appearance
- **Dense network** as key success factor
  - **Unparalleled reach across Europe**, including Germany and France – the two largest markets in Europe
  - **‘Must-have’ distribution platform** with ~1,700 stores across Europe
- Store format allows for a **unique flexibility to adapt store sizes, assortment breadth, store layout and visual merchandising to different retail locations**, while maintaining an **attractive ‘look & feel’**

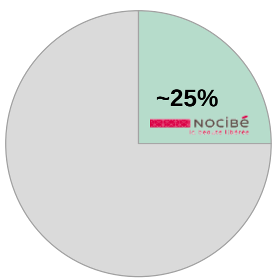
Source: OC&C
[1] Represents POS as of 30-Mar-2016; [2] Includes 120 franchise stores and excludes Monaco, represents POS as of 30-Mar-2016; [3] Store count includes Karstadt and Kaufhof only; [4] Two separate and independent companies

Proven e-commerce leadership positions across key European markets…

No.1 in Germany – Europe's largest online market



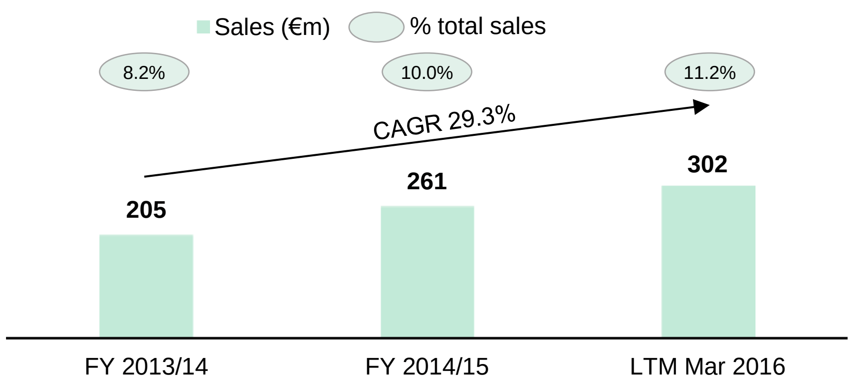
Strong No.2 in France



Online shop

- **Leading online player in Europe for selective beauty**
  - Learning effects from the German online shop have supported the historically rapid development of Douglas' e-commerce business in other countries
  - E-shop in 15 countries
- **Sizeable, profitable growth potential**
  - Online already accounts for 11.2% of LTM Mar 2016 sales
  - Continuous double-digit growth during the past years
  - Consistently very profitable e-commerce operations
  - Scalable and proven e-commerce platform

Strong online growth momentum of Douglas



Source: OC&C

... underpinned by best-in-class multi-channel operations including award-winning cross-channel services

Stationary

- Highly attractive store design to emphasise brand image and enhance customer-centricity
- Well-invested store network as a result of continuous investments (expansion and maintenance / refurbishment)

E-commerce and mobile

- State-of-the art e-commerce platform with operations in 15 countries
- Online operations in Germany as highly successful blueprint for other countries
- ‘”Anywhere & Anytime Commerce” cutting-edge mobile app

CRM / Cross-channel

- Industry-leading loyalty card programs – over 18m cardholders in Europe
  - Over 10m Douglas cardholders[1]
  - ~8m Nocibé cardholders in France[1]
- Highly effective CRM and cross-channel services, e.g.
  - Systematic digital campaigning
  - Cross-channel couponing, in-store order and returns

Shopping experience with a value-add service proposition for customers

Clear differentiation and competitive advantage vis-à-vis online-only competitors

[1] as of Mar 2016

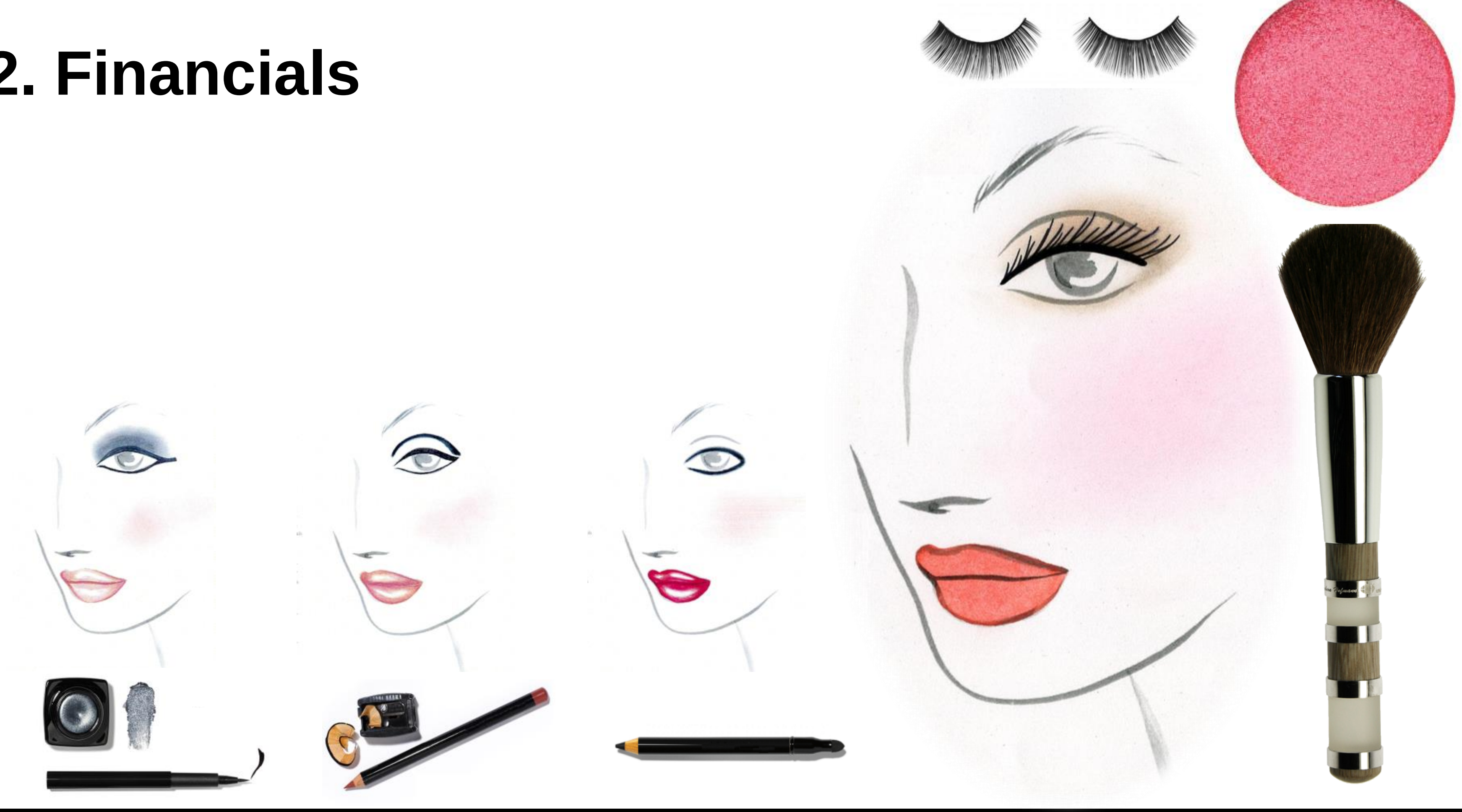
Douglas: A truly unique heritage brand, internationally recognised as synonym for 'beauty'

Douglas
YOUR PARTNER IN BEAUTY

YOUR	As **market leader**, Douglas is **serving all** who **would like to live and experience their personal beauty**
PARTNER	Douglas always finds **innovative solutions** for customers' problems and concerns – **cross-channel** and **across their entire life cycle**
in BEAUTY	Beauty is **more** to Douglas **than just a product category** – Douglas is a **pacemaker**, **innovation leader** and **platform for beauty**

Attention, expertise, passion, honesty and discretion – the promise to Douglas' customers

2. Financials



Financial highlights

Profitable growth track record	■ Strong top-line growth across all regions in Europe in FY 2014/15 and in LTM Mar 2016 with particular strong performance in e-commerce ■ Acceleration in H1 FY 2015/16 to 6.5% LFL growth, reflecting sustainably improved operations ■ Strong 12.1% CAGR in Adj. EBITDA from FY 2013/14[1] to LTM Mar 2016, driven by top-line growth, scale benefits and efficiency improvements
Strong cash generation	■ 70%+ cash conversion[2] ■ Continuous investment in refurbishments and modernizations
Outlook	■ Continued growth acceleration, driven by e-commerce, LFL growth and store network expansion ■ Further improvement in EBITDA margin as key operational and strategic measures increasingly reflected in profitability
	■ Over EUR 100m on additional investments in fundamental growth drivers to accelerate growth, in particular the Douglas brand, private label, customer experience and omni-channel ■ Investments funded from organisational improvements across the board

[1] FY 2013/14 Pro-Forma including respective figures of Nocibé for October 1, 2013 to June 30, 2014; [2] Defined as (Adj. EBITDA – Capex) divided by Adj. EBITDA.; relates to FY 2013/14, FY 2014/15 and LTM Mar 2016

EUR100m investment program implemented to accelerate growth

EUR 100m of additional investments in fundamental growth drivers

Douglas brand

- Further development of brand positioning across all key countries
- Expansion of marketing measures to cover all online and offline customer contacts by creating a “360 degree” marketing approach
- Optimization of key price points

CRM

- Intensification of personalized communication
- Enlargement of loyalty card concept including additional card and bonus system by launching a “Douglas Card light” in Germany

Omni-channel

- Leadership extension in channel excellence
- Optimization of web-shop and mobile app
- Further integrate our online and offline businesses in order to fulfil the customer needs with the best possible service

Private label

- Repositioning of the Douglas Brand
- Growth acceleration across Europe, increase of assortment and speeding up of innovation cycles

- 85% of additional investments expected as OPEX, with c. EUR 10m in FY 2015/16 and the remainder spread evenly over the next 3 years
- 15% of additional investments in CAPEX, equally distributed over FY 2015/16 to FY 2018/19

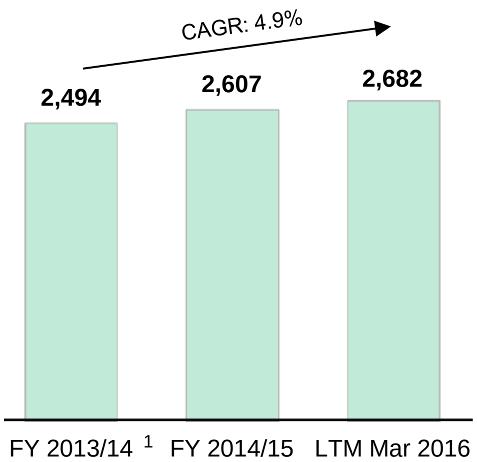
OPEX related to the investment program to be completely covered by cost savings from organisational restructuring

- Annual run rate savings of almost EUR 30m p.a., mostly in personnel expenses, with ~50% achieved in FY 2015/16 and 100% thereafter
- Total realisation costs of c. EUR 30m, with c. 60% as OPEX in FY 2015/16, c. 10% as CAPEX in FY 2015/16 and remaining 30% as OPEX over FY 2016/17 and FY 2017/18

Robust top-line growth, continuous margin expansion and attractive cash flow generation

Continued top-line growth

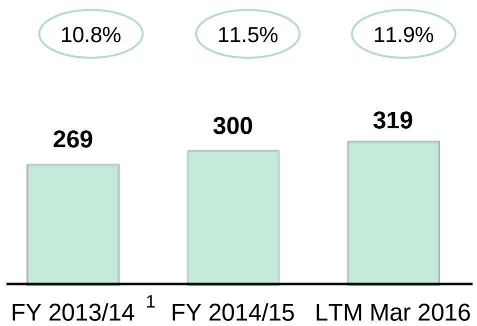
Net sales (EUR m)



- **Robust growth**
  - Strong e-commerce growth
  - Sound trading in Germany and France
- **Recent top-line growth in LTM**
  - Strong sales performance across all regions in Europe, in Germany positively affected by Easter season

Adj. EBITDA margin expansion

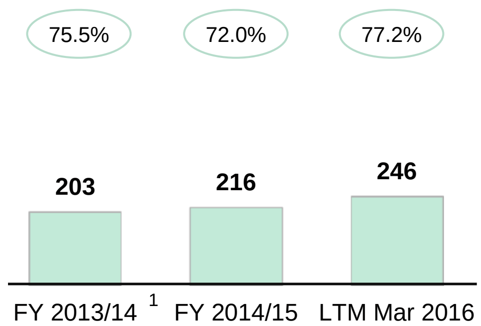
Adj. EBITDA (EUR m)[2] Adj. EBITDA margin



- **Continuous margin improvement**
  - Cost efficiencies at store level
  - Overhead personnel reductions
  - Active store portfolio management
  - Outperformance of profitable online channel

Attractive cash conversion

Adj. EBITDA – Capex (EUR m) Cash conversion[3]



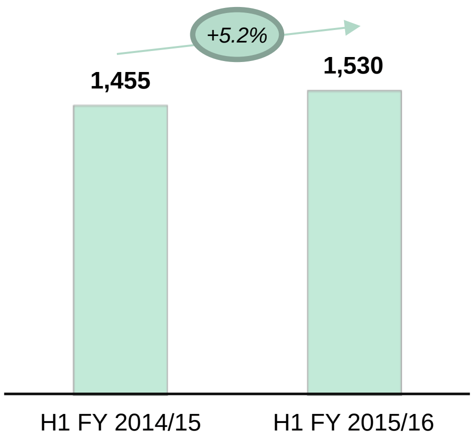
- **Strong free cash flow generation**
  - Continuous Capex spend into store network for maintenance and refurbishment – maintaining best-in-class store portfolio

[1] FY 2013/14 Pro-Forma including respective figures of Nocibé for October 1, 2013 to June 30, 2014 [2] Adjusted for exceptional items including consulting fees, restructuring, PPA and other one-off items; [3] Calculated as (Adj. EBITDA - Capex) divided by Adj. EBITDA

H1 FY 2015/16 : Strong top-line growth, further margin expansion and attractive cash flow generation

Accelerated top-line growth

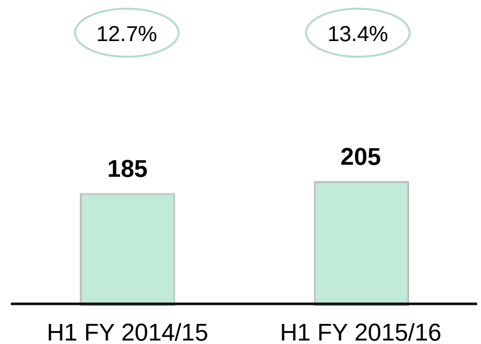
Net sales (EUR m)



- Like-for-like sales grew by 6.5%
- E-commerce sales increased strongly by 27.9%. Share of online sales to total sales reached 12.2% (PY: 10.0%).
- Stationary sales rose by 4.7%, or 3.8% on a like-for-like basis
- International sales account for 55% of total sales, consistent with the level in the prior year

Adj. EBITDA margin expansion

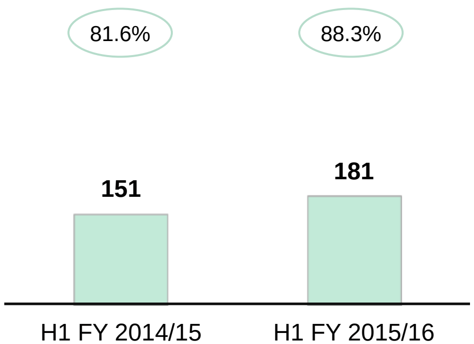
Adj. EBITDA (EUR m)[1] Adj. EBITDA margin



- Almost all relevant countries contributed to the increase in Adjusted EBITDA
- Improvement in margin supported by strong growth in e-commerce, optimisation of cost structures and better gross margins in particular in France and in Eastern Europe

Attractive cash conversion

Adj. EBITDA – Capex (EUR m) Cash conversion[2]



- Focused CAPEX spend based on a well invested store portfolio
- Lower CAPEX due to intra year timing effects in refurbishment and modernisation of store network, mainly in Germany and France

[1] Adjusted for exceptionals including consulting fees, restructuring, PPA and other one-off items; [2] Calculated as (Adj. EBITDA - Capex) divided by Adj. EBITDA

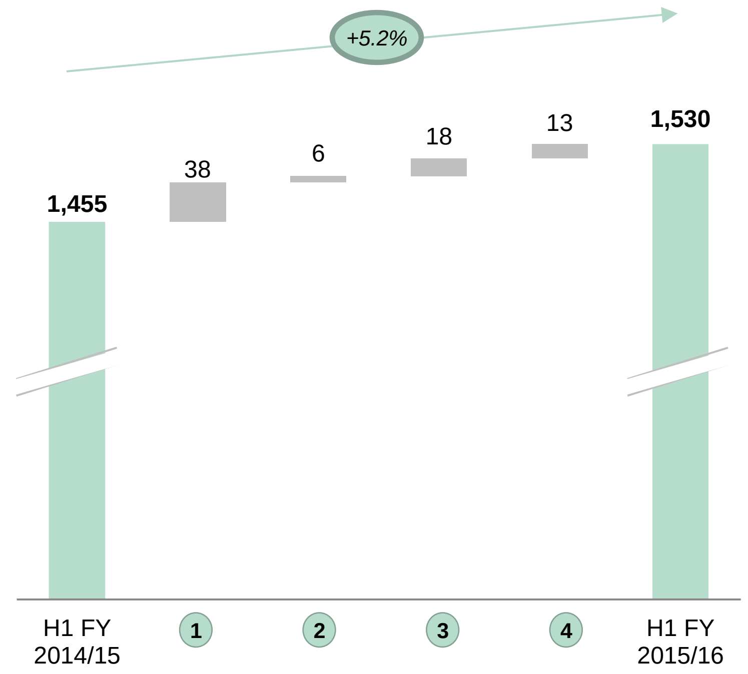
H1 FY 2015/16 Sales by region

Comments

1. **Germany:** sales rose by 5.9% (like-for-like: 5.8%) driven by both the online-shops and the stationary business; Q2 FY 2015/16 sales were positively impacted by the earlier Easter business which this year fell into the month of March
2. **France:** sales increased by 1.6% (like-for-like: 6.4%). The prior year total sales include EUR 18m sales from purchasing cooperation DPB Achats (terminated December 31, 2014)
3. **South-Western Europe:** growth of 6.2% (like-for-like: 6.7%) driven by both the stationary as well as the online business. In particular the operations in the Netherlands and Austria contributed to the positive sales performance
4. **Eastern Europe:** sales increased by 10.4% (like-for-like: 9.3%, driven by stationary as well as online business in all countries included in this segment)

Sales bridge

in EUR m



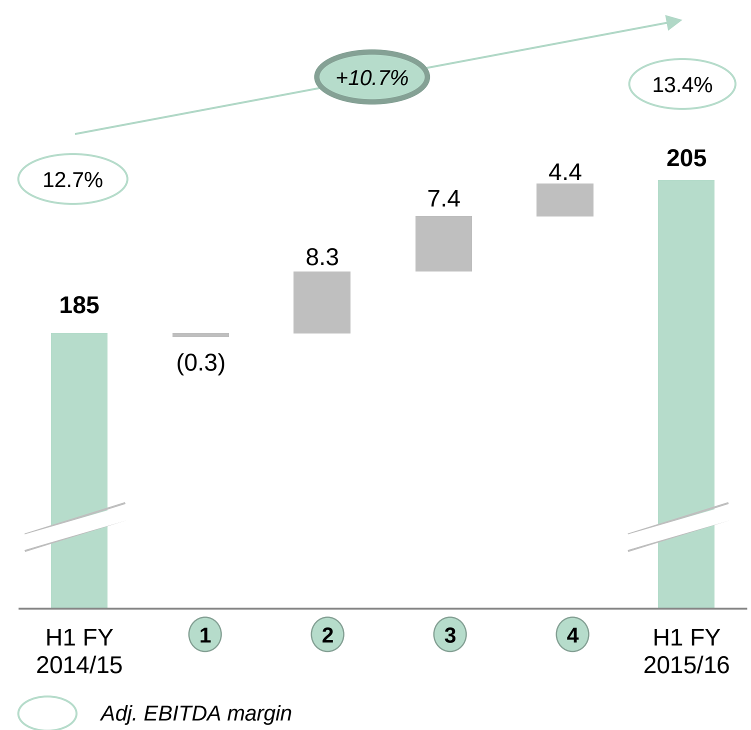
H1 FY 2015/16 Adjusted EBITDA by region

Comments

1. **Germany**: Earnings were negatively affected by intra-year timing effects; this is partly relating to the shift of the Easter business into the month of March. Previous year´s EBITDA was positively affected by the reversal of cost provisions
2. **France**: Strong sales growth and higher gross margin drove EBITDA; the full six-month effect of the integration of the Clin d´Oeil stores (acquired in Q2 FY 2014/15) supports the positive performance
3. **South-Western Europe**: Earnings improved mainly as a result of strong sales growth and efficiency programs to improve our competitive position. All countries contributed to the higher EBITDA, in particular the Netherlands and Italy
4. **Eastern Europe**: Economies of scale due to topline growth and optimisation of cost structure. Almost all countries contributed to the positive earnings development, in particular Poland performed well

Adjusted EBITDA bridge

in EUR m



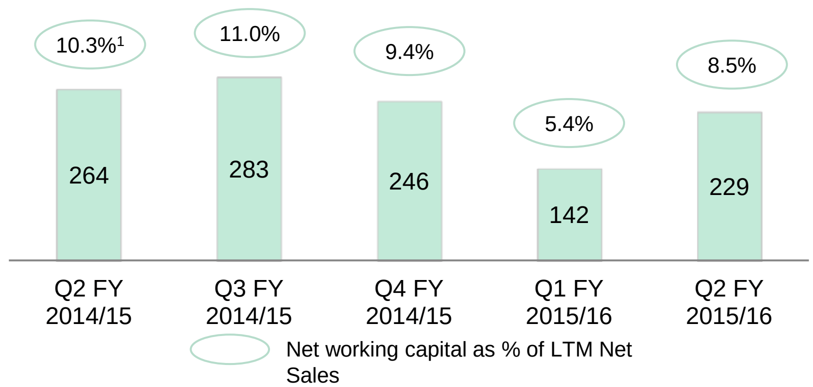
Douglas

H1 FY 2015/16 Net Working Capital

Comments

- **Net working capital adjusted for PPA and transaction costs decreased as of Mar 31, 2016 compared to previous year despite strong topline growth**
  - Reasons for this decrease are a better inventory management, a tight management of receivables and payables as well as non-operational items
  - **Non-operational items include** previous year's termination of wholesale operations (Dec 2014) and acquisition of Clin d'Oeil (Feb 2015) in France, reclassification of liabilities from the acquisition of Nocibé for accounting reasons and reporting date effects regarding the receipt of payments from receivables
- **Net working capital includes**
  - Reported trade working capital positions
  - Supplier receivables for rebates/bonuses and marketing subsidies, outstanding voucher liabilities, provisions for deliveries and services not yet invoiced

Net working capital (NWC)[4]



Net working capital development

in EUR m	**Q2 FY 2014/15**	**Q3 FY 2014/15**	**Q4 FY 2014/15**	**Q1 FY 2015/16**	**Q2 FY 2015/16**
Inventories	556	535	513	541	555
Trade accounts receivable	65	42	33	54	43
Trade accounts payable[2]	(237)	(233)	(264)	(434)	(299)
Other[3]	(120)	(61)	(36)	(19)	(70)
Total NWC	**264**	**283**	**246**	**142**	**229**

[1] Based on net working capital as well as net sales including Nocibé; [2] Include other outstanding invoices, outstanding supplier invoices and outstanding fixed assets invoices; [3] Include receivables from reimbursed marketing costs, bonus receivables, voucher liabilities; [4] Adjusted for Purchase Price Allocation (PPA) and transaction costs

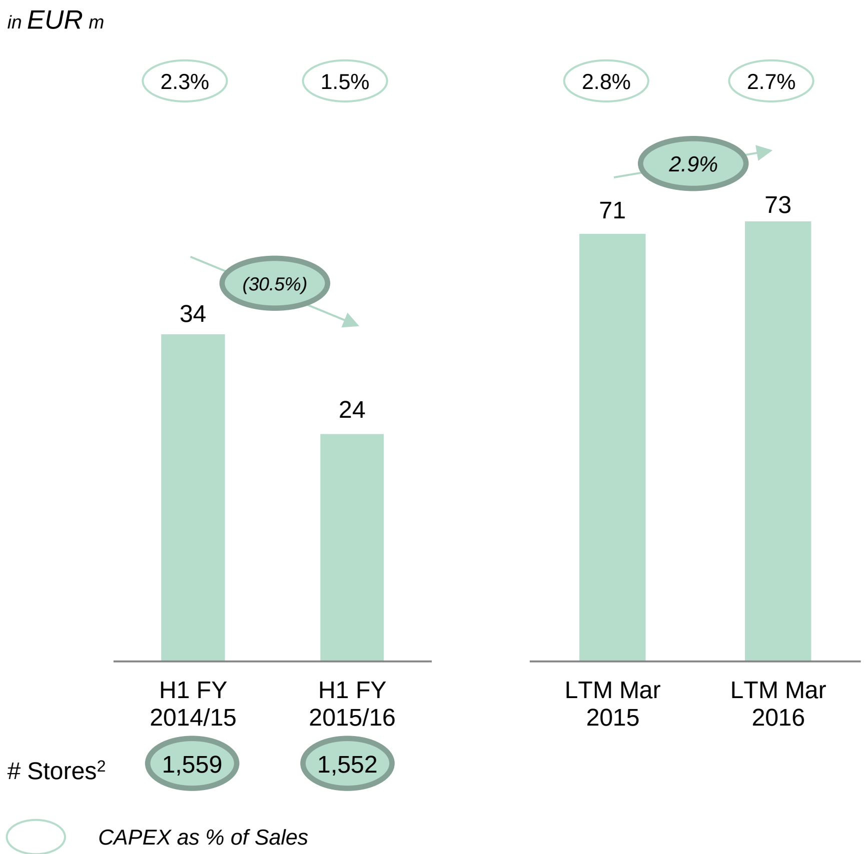
Douglas

H1 FY 2015/16 Capital expenditures

Comments

- **Focused CAPEX spend** based on well invested store portfolio
  - H1 FY 2015/16: Lower CAPEX due to intra year timing effects in refurbishment and modernisation of the store network, mainly in Germany and France
  - Over 66% of total CAPEX attributable to Germany and France, 14% to South-Western Europe and 20% to Eastern Europe
  - Maintenance and refurbishment CAPEX including other investments in central projects (e.g. technical improvement of the online platform) amount to 79.2% of total CAPEX (PY: 85%)
- **Extension of store network**
  - 17 new perfumeries opened (PY: 12), mainly in Eastern Europe. In addition, one store has been acquired in Germany and France respectively
  - 17 stores closed (PY: 34), mainly in Germany, France and Croatia

CAPEX[1]



[1] Excluding M&A-CAPEX
[2] Excluding franchise stores (138 franchise stores as of Mar 31, 2016)

Douglas

Debt structure as of Mar 30, 2016

Debt structure

in EUR m

	Amount	Maturity	Pricing
Cash and cash equivalents[1]	(121)		
Term Loan Facility B[2]	1,220	August 2022	E + 500bps
Senior Secured Notes	300	July 2022	6.25%
RCF (EUR 200m)	0	February 2022	E + 375bps
Net Senior Secured Debt	**1,399**		
Senior Notes	335	July 2023	8.75%
Accrued Interests	10		
Other Financial Debt[3]	6		
Total Net Debt	**1,750**		

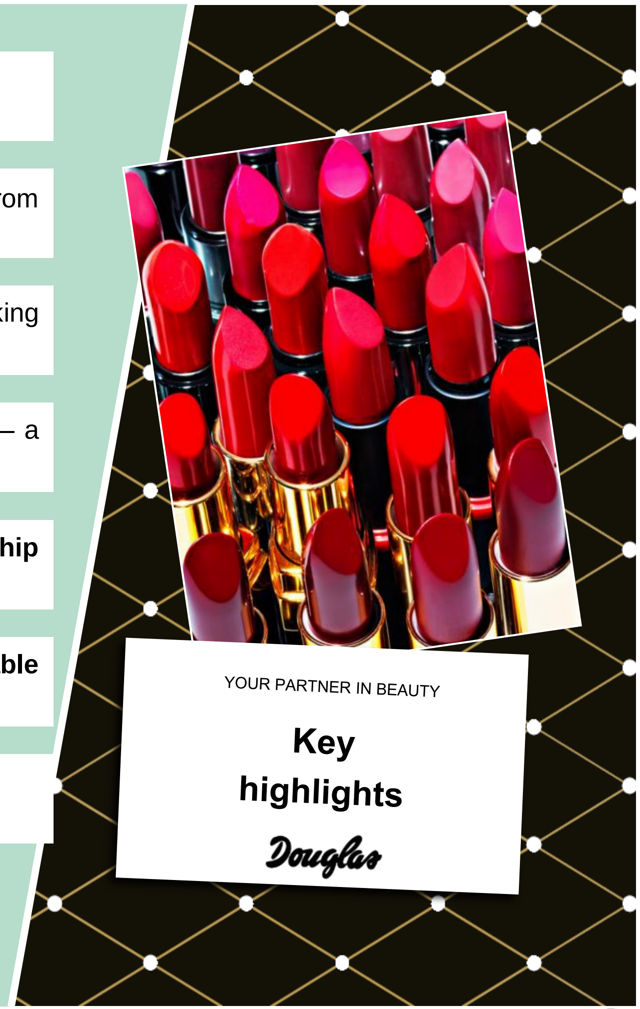
[1] Excluding credit card receivables (EUR 15.8m)
[2] EURIBOR floor of 1.0%
[3] Tax loan in France as well as local and fully drawn RCF Douglas Baltic

Outlook FY 2015/16

Sales ***(Growth)***	■ Sales expected to increase in the mid single-digit percentage range ■ Continued high growth in e-commerce ■ Store portfolio additions and continued positive stationary LFL growth
Adj. EBITDA ***(Margins)***	■ Key operational and strategic measures increasingly reflected in profitability ■ Modest margin expansion ■ Profitable growth of e-commerce ■ Continued disciplined cost control
Working capital (% of sales)	■ Slightly lower NWC as % of sales expected (adjusted for PPA and transaction costs) ■ Continued active working capital management ■ Typical seasonal NWC swings will continue to dominate pattern
Gross capex (% of sales)	■ Slightly above 3% of sales ■ Continuous investments in existing stores in line with historical capex pattern ■ Only about 15% of additional € 100m investment program with impact on capex; these are on top measures not included in capex budget

Key highlights

1. **Market leadership** in **selective beauty** care retailing **in Europe**
2. Focus on a **sizeable and very attractive market segment**, benefitting from **compelling industry economics** and **high market defensibility**
3. **Established assortment authority** and **superior customer proposition** making Douglas **the destination brand** for selective beauty care in Europe
4. **Pan-European, modern** and **well-invested store network in prime locations** – a **'must-have' distribution platform** for major brand suppliers
5. **Best-in-class multi-channel operations** with **proven e-commerce leadership** positions across key European markets
6. **Proven** and **resilient business model** with **strong track record of profitable growth** and **attractive cash flow generation**
7. Multiple tangible **growth and value creation initiatives underway**



Appendix

Adjustments to EBITDA

Comments

- **Consulting fees**
  - Relating to Nocibé acquisition (FY 2013/14) and sale/IPO processes of Douglas (FY 2014/15, LTM Mar 2016), divestment of non-acquired businesses as well as consulting fees for efficiency measures
  - Payment of EUR 20m transaction costs from FY 2014/15 sale/IPO processes has occurred in Q1 FY 2015/16
- **Restructuring**
  - Mainly redundancy payments related to efficiency and centralisation measures, e.g. regarding the H1 FY 2015/16 organisational improvements, the acquisition of Clin d'Oeil and store divestments in France
- **PPA:** One-off inventory write-offs from Nocibé acquisition as well as Douglas acquisition by CVC Capital Partners
- **Credit card fees:** reclassification in accordance with existing banking and bond agreements
- **Other:** one-off inventory revaluations as part of the optimised category management, costs of Nocibé integration (e.g. changes of logistical platform), property tax payments from a corporate restructuring and costs for termination of DouBox project
- **Adjusted EBITDA** does not include any run rate impacts

Adjustments to EBITDA[2]

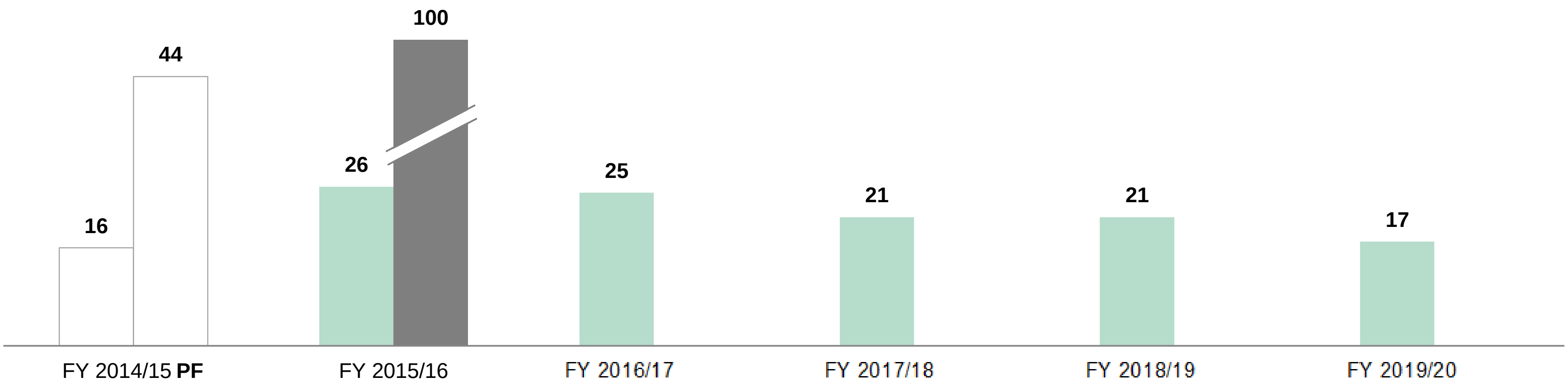
in EUR m	FY 2013/14[1]	FY 2014/15	LTM Mar 2016	H1 FY 2014/15	H1 FY 2015/16
Reported EBITDA	**125**	**199**	**168**	**141**	**111**
Consulting fees	37	29	33	7	10
Restructuring costs	19	8	22	0	14
PPA	8	44	80	24	60
Credit card fees	8	9	9	5	6
Other	9	11	7	8	4
Adjusted EBITDA	**206**	**300**	**319**	**185**	**205**
Nocibé Adjusted EBITDA add-back[3]	63	-	-	-	-
Adjusted EBITDA	**269**	**300**	**319**	**185**	**205**

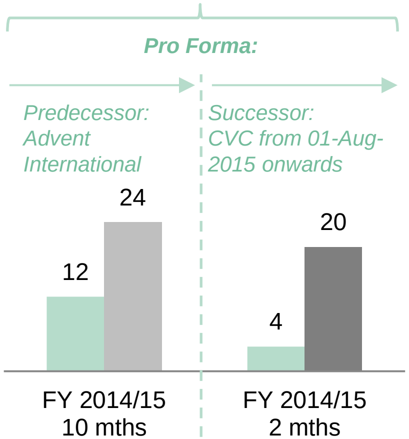
[1] FY 2013/14 Pro-forma incl. sales of Nocibé for October 1, 2013 to June 30, 2014; [2] Beauty Holding Zero until July 2015 ; [3] Addition of six months April 1, 2014 to June 30, 2014 (French GAAP)

Ongoing PPA amortisation from the CVC acquisition

PPA on the consolidated income statement before taxes resulting from the CVC acquisition

in EUR m





Legend

- Amortisation from revaluation of customer base and lease agreements
- Nocibé
- CVC

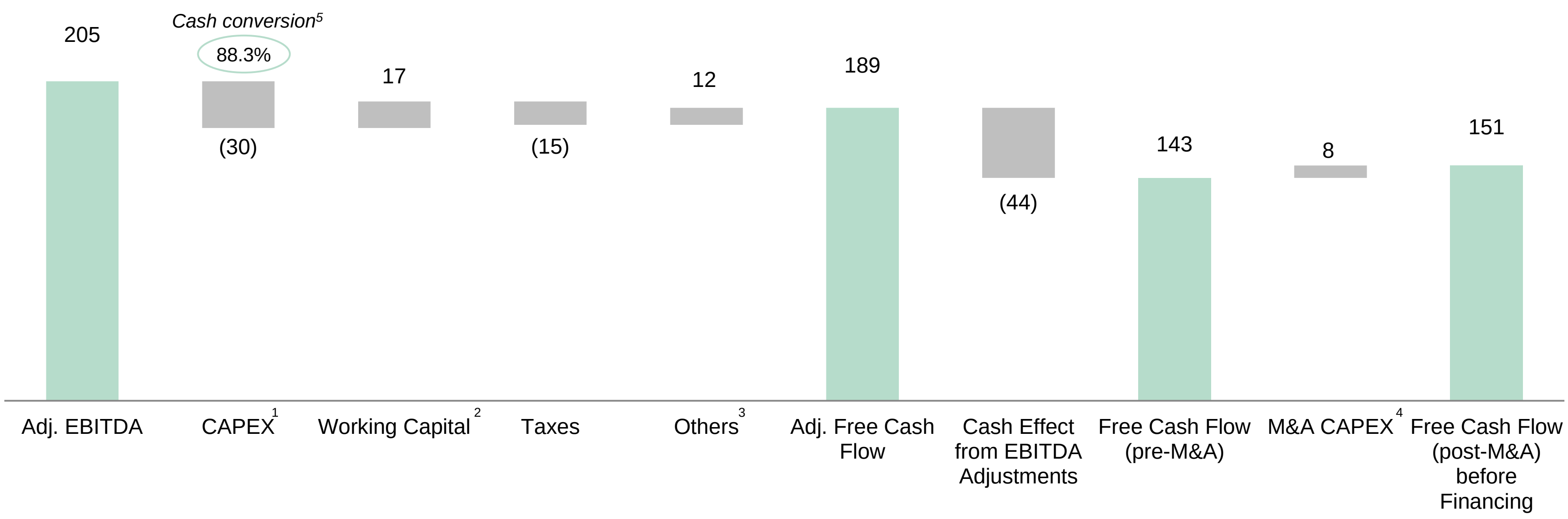
Nocibé and CVC: Lower Gross Profit from revaluation of inventories

Note: PPA amortisation impact taxes in the income statement, but do not impact cash taxes

H1 FY 2015/16 Cash Flow bridge

Cash Flow bridge

in EUR m



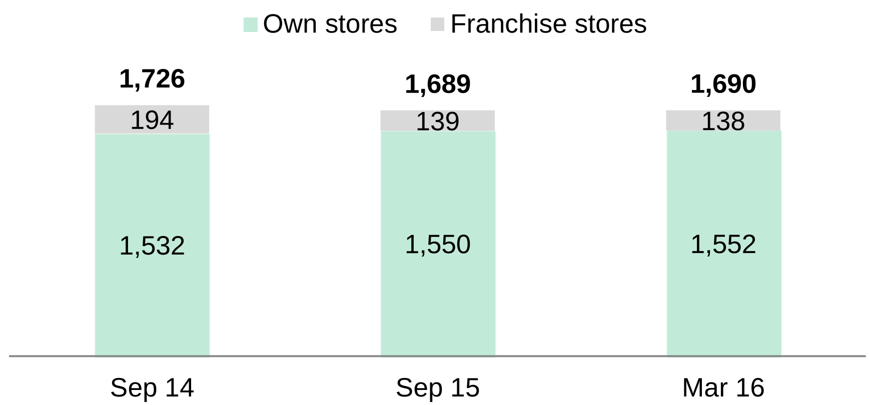
[1] Including EUR 6m relating to investments accounted for in FY 2014/15; [2] Defined as inventories, trade accounts receivables, trade accounts payables as well as other receivables and liabilities related to supplier receivables for rebates/bonuses, marketing subsidies, voucher liabilities, provisions for deliveries and services not yet invoiced ; adjusted for PPA and transaction costs; [3] Change in other assets, liabilities and accruals; [4] Net proceeds from the disposal of real estate and the acquisition of two stores (Germany, France); [5]Calculated as (Adj. EBITDA - Capex) divided by Adj. EBITDA

High-quality store network

Comments

- Pan-European and modern store network in premium locations
  - 1,690 stores as of March 2016
  - Including 138 franchise stores[1]
- Active store portfolio management
  - Select closures to further optimise premium quality network
- Continued focus on network expansion
- FY 2014/15, LTM Mar 2016: impacted by store closures from anti-trust measures in France following the acquisition of Nocibé (finalized by the end of FY 2014/15) as well as by the acquisition of the Clin d’Oeil franchise stores in France

Total number of stores[1]



Store development

	FY 2013/14	FY 2014/15	LTM Mar 2016
Own store openings	30	23	28
Store acquisitions	373	49	2
Own store closures	28	(54)	(37)
Change in franchises	5	(55)	(16)
Total	**380**	**(37)**	**(23)**

[1] Comprises 120 franchise stores in France, 17 franchise stores in the Netherlands and 1 franchise store in Norway as per 30-Mar-2016

Pan-European, modern and well-invested store network in prime locations

Overview of Douglas' operations

	Country	Market entry	# stores[1]	Online
Core markets	Germany	1910[2]	435	✓
	France	1986[3]	483	✓
	Italy	1989	122	✓
	Netherlands	1980	96	✓
	Poland	2001	121	✓
	Austria	1973	46	✓
Other markets	Spain	1997	56	✓
	Portugal	1998	20	✗
	Hungary	2001	19	✓[4]
	Latvia	2007	26	✓
	Lithuania	2007	28	✓
	Croatia	2008	26	✓
	Switzerland	1991	9	✓
	Bulgaria	2008	16	✗
	Czech Republic	2004	15	✓
	Romania	2007	19	✗
	Turkey	2006	11	✗
	Monaco	2002	4	✓
	Norway[5]	2014	1	✓

Store impressions

Key highlights

- **Unparalleled reach across Europe**, including Germany and France – the two largest markets
- **Dense network as key success factor**
- **'Must-have' distribution platform**
- **Well-invested and modern store portfolio in prime locations**
- **Modern design** and **prestige store appearance**
- **Store format flexibility** creates a **strong competitive advantage** and facilitates **successful operations** across countries and retail locations

[1] As of 30-Mar-16; excludes 120 franchise stores in France and 17 franchise stores in the Netherlands; [2] Hussel AG (founded in 1949) acquired 'Parfümerie Douglas' (founded in 1910) in 1969; [3] Nocibé was founded in 1984; [4] Externally operated by 'Shopline'; [5] Franchise store

Reported Sales and EBITDA by region

Sales

in EUR m	FY 2013/14[1]	FY 2014/15[1]	H1 FY 2014/15[1]	H1 FY 2015/16
Germany	1,101	1,161	644	682
France	275	695	404	410
South-Western Europe	489	506	276	294
Eastern Europe	228	245	131	144
Total	**2,093**	**2,607**	**1,455**	**1,530**

EBITDA

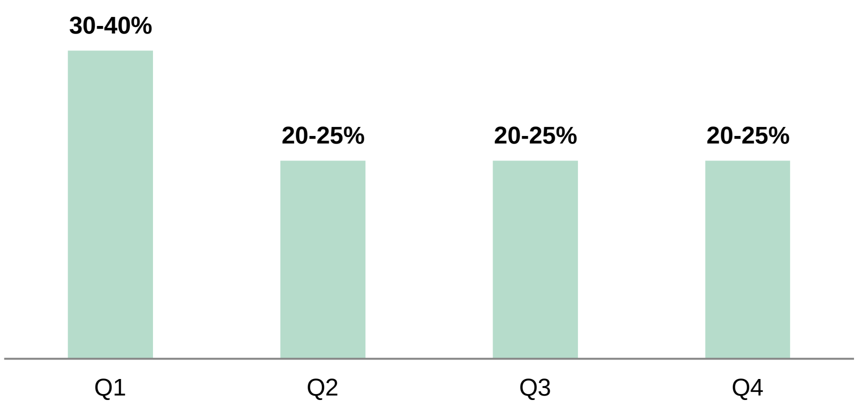
in EUR m	FY 2013/14[1,2]	FY 2014/15[1,2]	H1 FY 2014/15[1]	H1 FY 2015/16
Germany[3]	88	99	77	24
France	(15)	50	29	54
South-Western Europe	34	34	21	23
Eastern Europe	18	16	14	9
Total	**125**	**199**	**141**	**110**

[1] Beauty Holding Zero until July 2015; [2] Including PPA effects (FY 2013/14 and FY 2014/15: PPA effects from the acquisition of Nocibé affected EBITDA in France only / FY 2014/15 and H1 FY 2015/16: PPA effects from CVC acquisition included in all segments) ; [3] Germany : including consolidation effects relating to costs that have to be recharged to different countries abroad (FY 2013/14: -EUR 1.6m; FY 2014/15: -EUR 0.8m; H1 FY 2014/15: -EUR 0.1m; H1 FY 2015/16: -EUR 0.8m)

Typical seasonality pattern with ~50% of annual Adj. EBITDA generated in Q1 of each fiscal year, thus providing good visibility for the full year early on

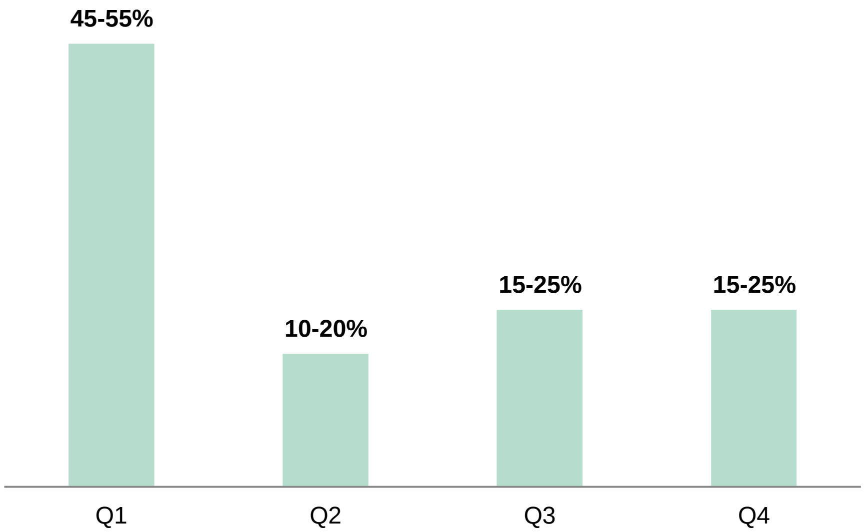
Net sales

(% of total FY Net Sales)



Adj. EBITDA

(% of total FY Adj. EBITDA)



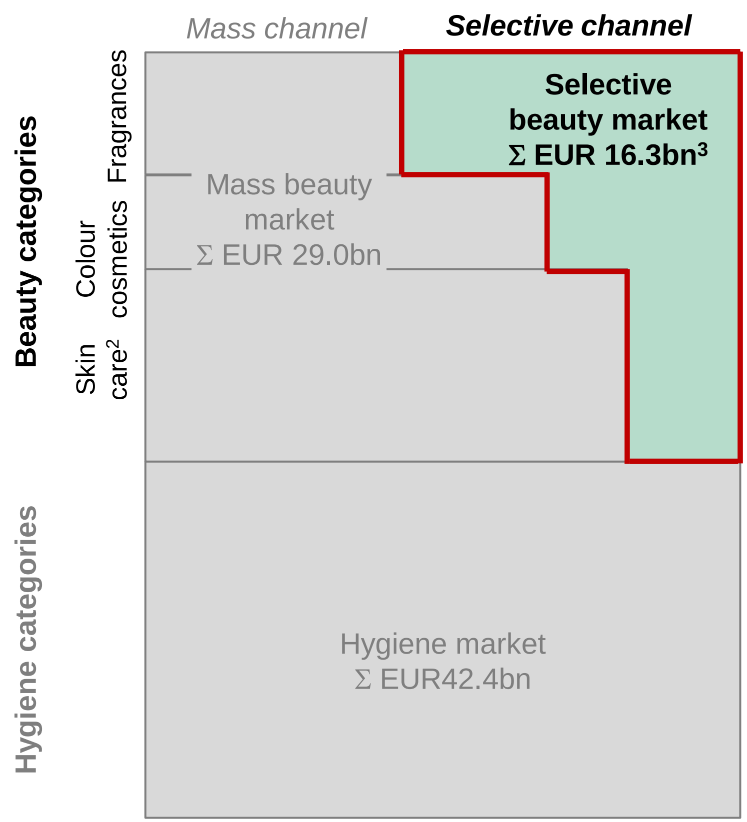
- Highest sales share in Q1, driven by the Christmas period
- Particularly strong EBITDA contribution in Q1 due to operating leverage

Douglas focuses exclusively on the selective retail channel of the European beauty care market, a very attractive segment with high defensibility

Comments

- **Selective distribution** as **key instrument** for suppliers **to protect their ongoing investments in the exclusivity and appeal** of their brands, and exert **control over** the **distribution** of their brands
- **High supplier standards** met only by **a limited number of retailers** that offer appropriate...[4]
  - store appearance
  - brand presentation
  - specialist advice
  - testing opportunities for customers
  - assortment breadth and depth
  - product roll-out and innovation capabilities
- Significant **benefits of scale for pan-European platforms**

Sizeable target market high defensibility and scale benefits[1]

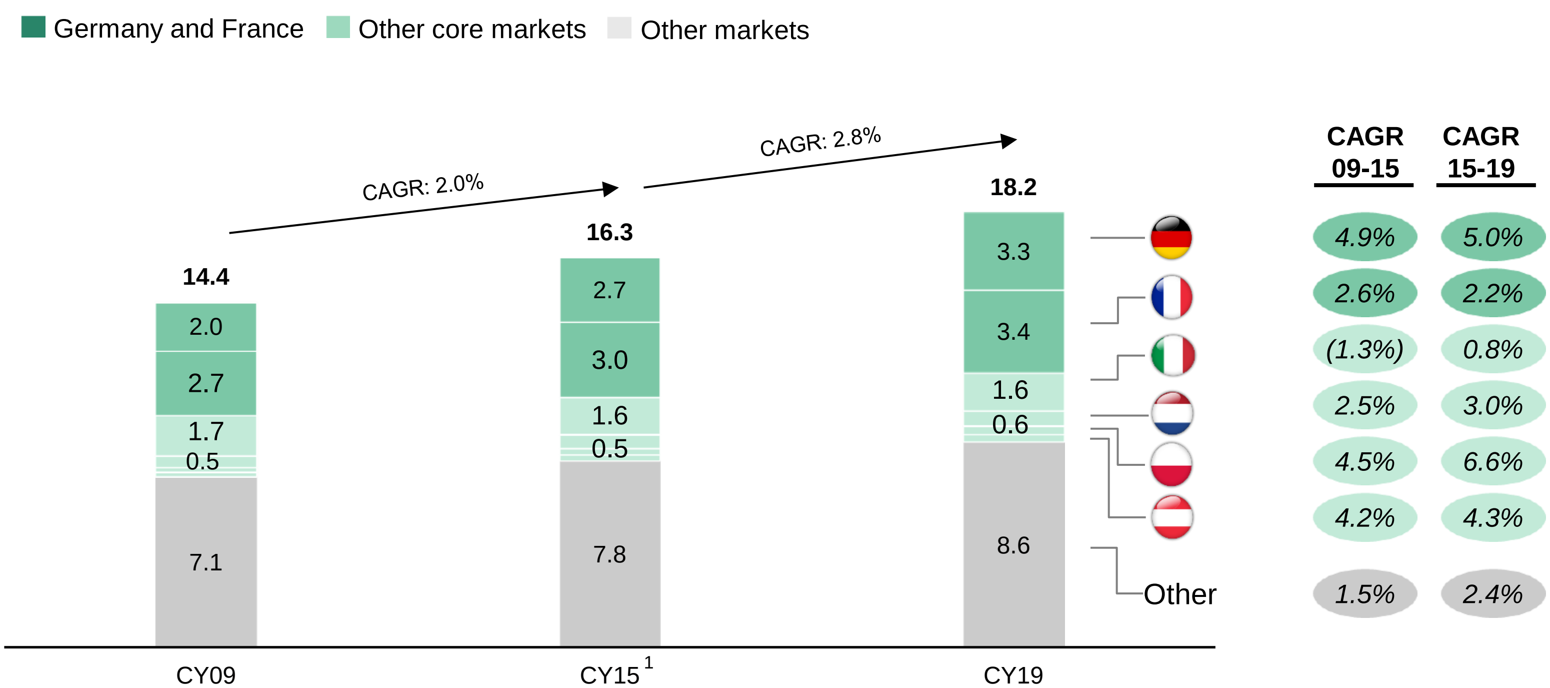


European beauty and personal care market = EUR 87.7bn

Source: OC&C
[1] CY15 Market sizes extrapolated based on CY13 actual figures; [2] Includes sun care; [3] Selective beauty and care market with marginal overlap with hygiene categories, such as soaps, shower, and bath. Due to small size not considered in the OC&C analysis; [4] Exemplary list of criteria – not exhaustive

Douglas' core countries offer attractive growth opportunities

European selective beauty market by region (EUR bn)

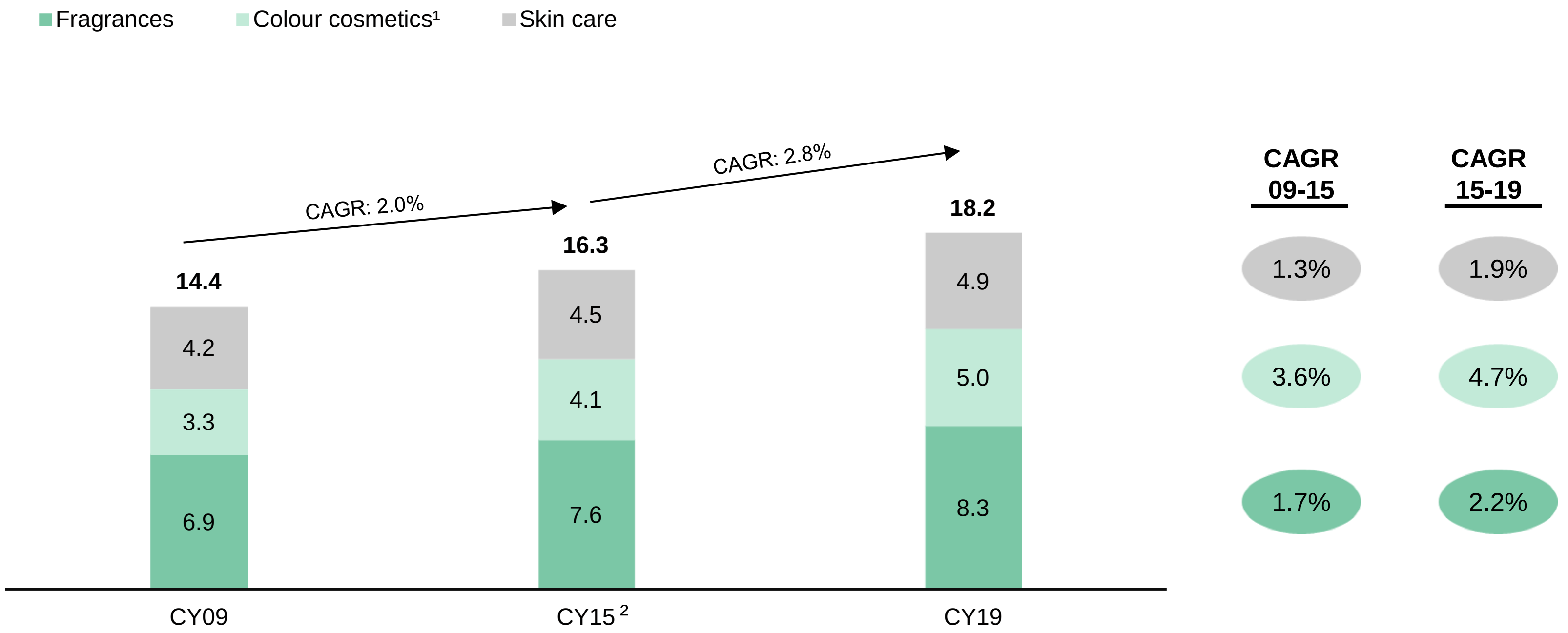


- **Douglas' six core countries** account for **over 50% of the total European selective beauty market** in 2015
- **Germany** and **France represent the largest markets** and **most important absolute growth contributors** in Europe

Source: OC&C ;
[1] CY15 extrapolated based on CY13 actual figures

Compelling market growth driven by all product categories

European selective beauty market by category (EUR bn)



- **The selective beauty market in Europe** has historically developed at a **stable growth rate of 2.0% p.a.**
- **All product categories** with **positive growth contribution** and **expected growth acceleration**

Source: OC&C
[1] Colour cosmetics comprise make-up for lips, nails, eyes and face as well as paintbrushes and other accessories
[2] CY15 extrapolated based on CY13 actual figures

Douglas

Management Board

Isabelle Parize

CEO

Erika Tertilt

CFO

Claudia Reinery

Member of the Board (GER AT CH)