



# **BETER BED HOLDING N.V.**

## **PRESS RELEASE**

### **HALF-YEAR FIGURES 2015**

*Uden, the Netherlands 28 August 2015*

Unofficial translation - In the event of any differences in interpreting the half-year figures, the Dutch version shall prevail.

## Contents

|     |  |    |
|-----|--|----|
| 1.  | Interim report .....   | 3  |
| 2.  | Condensed consolidated balance sheet.....                        | 8  |
| 3.  | Condensed consolidated profit and loss account .....             | 9  |
| 4.  | Consolidated cash flow statement.....                            | 10 |
| 5.  | Consolidated statement of comprehensive income.....              | 11 |
| 6.  | Consolidated statement of changes in equity.....                 | 11 |
| 7.  | General notes.....   | 12 |
| 8.  | Notes to the condensed consolidated balance sheet.....           | 13 |
| 9.  | Notes to the condensed consolidated profit and loss account..... | 14 |
| 10. | Statement from the Management Board.....                         | 14 |
| 11. | Review report.....   | 15 |

## 1. Interim report

### Beter Bed realises sharply higher profit in first half of 2015

- Revenue increases by 10.3% to € 186.1 million.
- Like-for-like order intake + 9.1%.
- Underlying gross profit increases by 0.1% to 56.7%.
- Operating profit increases by 65.9% to € 10.5 million (H1 2014: € 6.4 million).
- Net profit increases by 59.8% to € 7.8 million (H1 2014: € 4.9 million).

#### Key figures interim results

(in millions of € unless otherwise stated)

|                           | 2015 H1          | 2014 H1          | Change |
|---------------------------|------------------|------------------|--------|
| Revenue                   | 186.1            | 168.7            | 10.3%  |
| Gross profit (%)          | 56.6             | 57.2             |        |
| EBIT                      | 10.5             | 6.4              | 65.9%  |
| Net profit                | 7.8              | 4.9              | 59.8%  |
| Earnings per share (in €) | 0.36             | 0.22             | 58.8%  |
| Operating cash flow       | 15.2             | 10.5             | 44.8%  |
|                           | <b>30-6-2015</b> | <b>30-6-2014</b> |        |
| Solvency (%)              | 58.6             | 60.2             |        |

#### **Ton Anbeek, Chief Executive Officer:**

*'We see a positive development of revenue in all the countries in which the group operates. The generally increasing consumer confidence, the higher propensity to buy and the recovering housing market in the Netherlands are contributing to this development. Furthermore, investments in the Beter Bed format and Matratzen Concord's new visual identity and advertising campaign are resulting in additional growth in revenue, which in turn means the group is gaining market share.'*

## Key figures second quarter results

| (in millions of € unless otherwise stated) | 2015 Q2 | 2014 Q2 | Change |
|--|---------|---------|--------|
| Revenue                                    | 83.9    | 76.0    | 10.4%  |
| Gross profit (%)                           | 56.7    | 57.7    |        |
| EBIT                                       | 1.3     | 0.0     |        |
| Net profit                                 | 1.0     | 0.4     | 146.9% |

### Second quarter of 2015

Revenue at comparable stores increased in the second quarter of 2015 in all the countries in which the group is active. Revenue at comparable stores in Germany and the Netherlands rose by 9.4% and 5.7% respectively (increase for the whole group amounted to 7.7%). Total revenue rose by 10.4% to € 83.9 million in the second quarter. The change to the exchange rate of the Swiss franc at the beginning of this year was attributable for € 0.8 million of the increase in revenue.

Gross profit was 56.7% lower in the second quarter of 2015 than in the comparable period of last year. This is attributable to the fact that the costs of free deliveries at Matratzen Concord have not been recognised as expenses, but are instead accounted for in the gross profit since the fourth quarter of 2014. Excluding these expenses, gross profit amounted to 57.4% in the second quarter (Q2 2014: 57.7%).

Expenses rose by 5.6% to € 46.3 million in the second quarter. This increase was caused by higher depreciations due to the investment program launched in early 2014, higher advertising expenses owing to the Matratzen Concord format's new campaign and increased staff costs due to the payment of higher bonuses to sales staff as a result of the growth in revenue.

The aforementioned change to the Swiss franc exchange rate led to a € 0.5 million increase in expenses during this period. In addition, there was a non-recurring decrease in expenses of € 0.9 million in the second quarter of 2014 as a result of the release of reserves in connection with lower liabilities ensuing from employee stock options and rental obligations. Excluding these items, expenses rose by 2.3% in the second quarter of 2015.

Average expenses per store (excluding DBC) increased by 8.1% in the second quarter. Average expenses per store rose more sharply than the total expenses due to a 2.7% decrease in the average number of stores. Excluding the exchange rate effect and non-recurring income in 2014, average expenses per store rose by 4.6%.

Operating profit (EBIT) rose in the second quarter from € 0.0 million to € 1.3 million. Net profit in the second quarter of 2015 amounted to € 1.0 million positive (second quarter 2014: € 0.4 million positive).

Revenue and net profit are generally lower in the second and third quarter of the year than in the first and fourth quarter due to the seasonal pattern in consumer demand.

## First half of 2015

Revenue increased in the first half of 2015 by 10.3% to € 186.1 million. Revenue in comparable stores rose by 9.1% in the first half of 2015.

The movements in revenue for the first half of 2015 by country were as follows:

|             |       |
|-------------|-------|
| Netherlands | 6.1%  |
| Germany     | 10.2% |
| Austria     | 22.6% |
| Switzerland | 23.5% |
| Spain       | 15.7% |
| Belgium     | 28.6% |

The higher revenue was caused primarily by a rising demand due to the improving economy, the recovering housing market in the Netherlands and formula and range improvements. The group is consequently gaining market share in virtually all markets. Exchange rate differences had a positive effect of € 1.6 million on revenue.

Gross profit as a percentage of revenue was 56.6% in the first half of 2015, which is lower than in the same period of last year (H1 2014: 57.2%). This decrease was also largely caused by recognising the expenses of free delivery at Matratzen Concord under gross profit. Excluding these expenses, the underlying gross profit amounted to 57.3% in the first half of 2015.

The average number of stores decreased by 3.3% in the first half of 2015 compared to the same period of last year. Total expenses increased from € 90.2 million to € 94.8 million in the first half of 2015, representing a 5.0% increase. This rise was caused by the aforementioned depreciation, marketing and staff costs. Exchange rate differences caused expenses to rise by € 1.0 million. Operating expenses as a percentage of revenue for the first half year decreased from 53.5% in 2014 to 50.9% in 2015.

Excluding non-recurring income in 2014 and the effects of exchange rate differences in 2015, the increase in expenses for the first half of 2015 amounted to 3.0%.

Average expenses per store (excluding DBC) rose by 8.3% in the first half of 2015 due to both the relatively sharp decrease in the number of stores and the increase in expenses. Excluding the exchange rate effect and the non-recurring income in 2014, average expenses per store rose by 6.0%.

Operating profit (EBIT) rose in this period by 65.9% to € 10.5 million. Operating profit (EBIT) as a percentage of revenue increased from 3.8% to 5.7%.

Net profit for the first half year rose by 59.8% from € 4.9 million to € 7.8 million. Earnings per share for the first half of 2015 amounted to € 0.36 (first half of 2014: € 0.22).

## Investments and cash flow

Investments amounted to € 8.7 million in the first half of 2015 (first half of 2014: € 4.5 million). Investments in stores totalled € 4.8 million in the first half of 2015 (first half 2014: € 3.7 million). Other investments related to the purchase of a DC, and IT. The operating cash flow increased by 44.8% from € 10.5 million in 2014 to € 15.2 million in 2015.

## Financing

Solvency was 58.6% as at 30 June 2015, compared with 60.2% on 30 June 2014 and 58.6% at year-end 2014. The group has also this year extended its account overdraft facilities totalling € 40 million (of which € 20 million committed) for a period of five years based on the existing covenants.

## Operational

In the first half of 2015, 32 stores were opened and 38 stores were closed. At the end of June 2015, the group had a total of 1,121 stores.

| Number of stores       | 31-12-2014   | Closed    | Opened    | 30-6-2015    |
|------------------------|--------------|-----------|-----------|--------------|
| Matratzen Concord      | 966          | 27        | 20        | 959          |
| Beter Bed              | 94           | 6         | 5         | 93           |
| El Gigante del Colchón | 32           | 1         | 4         | 35           |
| Beddenreus             | 35           | 4         | 3         | 34           |
| <b>Total</b>           | <b>1,127</b> | <b>38</b> | <b>32</b> | <b>1,121</b> |

## Matratzen Concord

| Number of stores | 31-12-2014 | Closed    | Opened    | 30-6-2015  |
|------------------|------------|-----------|-----------|------------|
| Germany          | 846        | 26        | 19        | 839        |
| Austria          | 67         | -         | 1         | 68         |
| Switzerland      | 53         | 1         | -         | 52         |
| <b>Total</b>     | <b>966</b> | <b>27</b> | <b>20</b> | <b>959</b> |

## Matratzen Concord

The revenue of the cash & carry formula Matratzen Concord for the first half of 2015 totalled € 124.9 million (67.1% of total group revenue). This is an increase of 10.8% compared with the same period in 2014. Within the revenue of this formula, 84.7% is realised in Germany and 15.3% in Austria and Switzerland. Revenue increased by 9.9% in the comparable stores.

## Beter Bed

This formula is active in the Netherlands and Belgium. Revenue rose by € 6.4 million to € 50.4 million in the first half of 2015, representing an increase of 14.5%. Revenue in comparable stores increased by 8.1% in the first half of 2015. Beter Bed contributes 27.1% of total group revenue.

## Other formulas

Revenue of the other formulas for the first half of 2015 decreased with 10.2% to € 10.8 million, mainly as a result of the closure of the Slaapgenoten formula. The other formulas contributed for 5.8% to the total group revenue. This includes the revenue of the retail formulas Beddenreus (the Netherlands), El Gigante del Colchón (Spain) and the wholesaler DBC.

## **Outlook for the third quarter of 2015**

In all countries the underlying trend is positive and the economic recovery in the Netherlands seems to continue. At the same time the basis for comparison will be challenging. In addition, the warm summer weather in primarily the Matratzen Concord countries, but also in the Benelux, influenced the number of visitors.

## **Interim dividend**

The company intends to distribute an interim dividend in 2015. As is customary, further information regarding this matter will be provided upon the publication of the trading update on 30 October 2015.

## **Profile**

Beter Bed Holding N.V. operates in the European bedroom furnishings market. Its activities include retail trade through a total of 1,121 stores at the end of June 2015 that operate via the chains Beter Bed (active in the Netherlands and Belgium), Matratzen Concord (active in Germany, Switzerland and Austria), El Gigante del Colchón (active in Spain) and Beddenreus (active in the Netherlands). Beter Bed Holding is also active in the field of developing and wholesaling branded products in the bedroom furnishing sector in the Netherlands, Germany, Belgium, Spain, Austria and Switzerland via its subsidiary DBC International. Beter Bed Holding N.V. achieved net revenue of € 364.0 million in 2014. Approximately 70% of the group's net revenue is realised outside the Netherlands. The company has been listed on the NYSE Euronext Amsterdam since 1996 and is included in the Amsterdam Small Cap Index.

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## 2. Condensed consolidated balance sheet

| (* EUR 1,000)                                       | 30-6-2015             | 30-6-2014             | 31-12-2014            |
|---|-----------------------|-----------------------|-----------------------|
| <b>Fixed assets</b>                                 |                       |                       |                       |
| Tangible fixed assets                               | 32,907                | 25,864                | 28,889                |
| Intangible fixed assets                             | 3,839                 | 2,782                 | 3,517                 |
| Financial fixed assets                              | 779                   | 817                   | 768                   |
| <b>Current assets</b>                               |                       |                       |                       |
| Stocks  | 54,186                | 55,075                | 53,481                |
| Debtors   | 7,362                 | 8,202                 | 9,585                 |
| Cash and cash equivalents                           | <u>20,297</u>         | <u>11,189</u>         | <u>20,883</u>         |
| <b>TOTAL ASSETS</b>                                 | <b><u>119,370</u></b> | <b><u>103,929</u></b> | <b><u>117,123</u></b> |
| <b>Liabilities</b>                                  |                       |                       |                       |
| Equity attributable to equity holders of the parent | 69,959                | 62,583                | 68,635                |
| Provisions  | 889                   | 2,042                 | 1,251                 |
| Long-term obligations                               | 2,264                 | 2,424                 | 2,218                 |
| <b>Current liabilities</b>                          |                       |                       |                       |
| Other current liabilities                           | <u>46,258</u>         | <u>36,880</u>         | <u>45,019</u>         |
| <b>TOTAL LIABILITIES</b>                            | <b><u>119,370</u></b> | <b><u>103,929</u></b> | <b><u>117,123</u></b> |



## 3. Condensed consolidated profit and loss account

(\* EUR 1,000)

| Second quarter  |                 |   | First half-year |                 |
|-----------------|-----------------|---|-----------------|-----------------|
| 2015            | 2014            |   | 2015            | 2014            |
| 83,886          | 76,006          | Revenue                                     | 186,086         | 168,715         |
| (36,327)        | (32,177)        | Cost of sales                               | (80,793)        | (72,159)        |
| <b>47,559</b>   | <b>43,829</b>   | <b>Gross profit</b>                         | <b>105,293</b>  | <b>96,556</b>   |
| <b>56.7%</b>    | <b>57.7%</b>    |   | <b>56.6%</b>    | <b>57.2%</b>    |
| 22,610          | 20,986          | Wage and salary costs                       | 45,695          | 43,099          |
| 2,113           | 1,992           | Depreciation and impairment of fixed assets | 4,633           | 3,940           |
| 21,553          | 20,851          | Other operating expenses                    | 44,428          | 43,164          |
| <b>(46,276)</b> | <b>(43,829)</b> | <b>Total operating expenses</b>             | <b>(94,756)</b> | <b>(90,203)</b> |
| <b>-55.2%</b>   | <b>-57.7%</b>   |   | <b>-50.9%</b>   | <b>-53.5%</b>   |
| <b>1,283</b>    | <b>-</b>        | <b>Operating profit (EBIT)</b>              | <b>10,537</b>   | <b>6,353</b>    |
| <b>1.5%</b>     | <b>0.0%</b>     |   | <b>5.7%</b>     | <b>3.8%</b>     |
| (80)            | (91)            | Financial income and expenses               | (73)            | (132)           |
| <b>1,203</b>    | <b>(91)</b>     | <b>Profit before taxation</b>               | <b>10,464</b>   | <b>6,221</b>    |
| (176)           | 507             | Income tax expense                          | (2,643)         | (1,327)         |
| <b>1,027</b>    | <b>416</b>      | <b>Net profit</b>                           | <b>7,821</b>    | <b>4,894</b>    |
| <b>1.2%</b>     | <b>0.5%</b>     |   | <b>4.2%</b>     | <b>2.9%</b>     |
| 0.05            | 0.02            | Earnings per share in €                     | 0.36            | 0.22            |
| 0.05            | 0.02            | Diluted earnings per share in €             | 0.35            | 0.22            |

## 4. Consolidated cash flow statement

(\* EUR 1,000)

|   | First half-year |                |
|---|-----------------|----------------|
|   | 2015            | 2014           |
| <b>Cash flow from operating activities</b>  |                 |                |
| Profit before taxes   | 10,464          | 6,221          |
| Income tax paid   | (1,076)         | (3,136)        |
| Depreciation and impairments  | 4,633           | 3,940          |
| Costs employee stock options  | 98              | (569)          |
| Movements in:   |                 |                |
| Stocks  | (705)           | 474            |
| Debtors   | 656             | 1,739          |
| Short-term liabilities  | 1,239           | 2,435          |
| Provisions  | (362)           | (636)          |
| Other   | 214             | 1              |
|   | <b>15,161</b>   | <b>10,469</b>  |
| <b>Cash flow from investing activities</b>  |                 |                |
| Additions to (in)tangible fixed assets  | (8,739)         | (4,485)        |
| Disposals of (in)tangible fixed assets  | 302             | 330            |
| Changes in long-term accounts receivable  | 11              | 9              |
|   | <b>(8,426)</b>  | <b>(4,146)</b> |
| <b>Cash flow from financing activities</b>  |                 |                |
| Repayment of loan   | -               | (1,000)        |
| Share (re)issuance  | 803             | 1,813          |
| Dividend paid   | (8,124)         | (1,526)        |
|   | <b>(7,321)</b>  | <b>(713)</b>   |
| <b>Change in net cash and cash equivalents</b>  | <b>(586)</b>    | <b>5,610</b>   |
| Cash and cash equivalents at the end of the reporting period                                    | 20,297          | 11,189         |
| Current bank overdraft not including repayment obligations at the end of the reporting period   | -               | -              |
| Net cash and cash equivalents at the end of the reporting period                                | 20,297          | 11,189         |
| Cash and cash equivalents at the start of the reporting period                                  | 20,883          | 9,554          |
| Current bank overdraft not including repayment obligations at the start of the reporting period | -               | (3,975)        |
|   | <b>20,883</b>   | <b>5,579</b>   |
| <b>Change in net cash and cash equivalents</b>  | <b>(586)</b>    | <b>5,610</b>   |

## 5. Consolidated statement of comprehensive income

(\* EUR 1,000)

| Second quarter |            |   | First half-year |              | First quarter |              |
|----------------|------------|---|-----------------|--------------|---------------|--------------|
| 2015           | 2014       |   | 2015            | 2014         | 2015          | 2014         |
| 1,027          | 416        | Net profit  | 7,821           | 4,894        | 6,794         | 4,478        |
| -              | -          | Movements in revaluation reserve                          | 140             | -            | 140           | -            |
| 153            | (21)       | Movements in reserve for currency translation differences | 586             | 8            | 433           | 29           |
| <b>1.180</b>   | <b>395</b> | <b>Total comprehensive income</b>                         | <b>8,547</b>    | <b>4,902</b> | <b>7,367</b>  | <b>4,507</b> |

The amounts listed above are net amounts. In principle the movement in reserve for translation differences is fully recyclable. The movement in revaluation is not. There is no tax impact on the translation differences reserve.

## 6. Consolidated statement of changes in equity

(\* EUR 1,000)

|   | Total         | Issued share capital | Share premium reserve | Reserve for currency translation differences | Revaluation reserve | Other reserves | Retained earnings |
|---|---------------|----------------------|-----------------------|--|---------------------|----------------|-------------------|
| <b>Balance on 1 January 2014</b>              | <b>57,963</b> | <b>436</b>           | <b>16,145</b>         | <b>755</b>                                   | <b>2,847</b>        | <b>29,582</b>  | <b>8,198</b>      |
| Net profit for 2014                           | 4,894         | -                    | -                     | -  | -                   | -              | 4,894             |
| Other components of comprehensive income 2014 | 8             | -                    | -                     | 8  | -                   | -              | -                 |
| Profit appropriation 2013                     | (1,526)       | -                    | -                     | -  | -                   | 6,672          | (8,198)           |
| (Re)issuance of shares                        | 1,813         | 2                    | 1,528                 | -  | -                   | 283            | -                 |
| Costs of employee stock options               | (569)         | -                    | -                     | -  | -                   | (569)          | -                 |
| <b>Balance on 30 June 2014</b>                | <b>62,583</b> | <b>438</b>           | <b>17,673</b>         | <b>763</b>                                   | <b>2,847</b>        | <b>35,968</b>  | <b>4,894</b>      |
| <b>Balance on 1 January 2015</b>              | <b>68,635</b> | <b>438</b>           | <b>17,673</b>         | <b>814</b>                                   | <b>2,847</b>        | <b>30,003</b>  | <b>16,860</b>     |
| Net profit for 2015                           | 7,821         | -                    | -                     | -  | -                   | -              | 7,821             |
| Other components of comprehensive income 2015 | 726           | -                    | -                     | 586  | 140                 | -              | -                 |
| Profit appropriation 2014                     | (8,124)       | -                    | -                     | -  | -                   | 8,736          | (16,860)          |
| (Re)issuance of shares                        | 803           | 1                    | 761                   | -  | -                   | 41             | -                 |
| Costs of employee stock options               | 98            | -                    | -                     | -  | -                   | 98             | -                 |
| <b>Balance on 30 June 2015</b>                | <b>69,959</b> | <b>439</b>           | <b>18,434</b>         | <b>1,400</b>                                 | <b>2,987</b>        | <b>38,878</b>  | <b>7,821</b>      |

## 7. General notes

The condensed consolidated interim financial data of Beter Bed Holding N.V. (domiciled in Uden, the Netherlands) contained in this interim report, consisting of the condensed consolidated balance sheet as at 30 June 2015; the condensed consolidated profit and loss account; the consolidated statement of comprehensive income; the consolidated cash-flow statement and the consolidated statement of changes in equity for the period from 1 January 2015 to 30 June 2015, plus the notes, have been reviewed by our external auditor. The consolidated statements contained in this interim report, including the notes, have not been reviewed or audited for the purpose of this interim report. These statements and notes were taken from the 2014 financial statements of Beter Bed Holding N.V. (domiciled in Uden, the Netherlands) and the 2014 interim report, respectively, excluding the financial information for the first or second quarter. The company's Management Board is responsible for drafting and disclosing the interim financial data in accordance with IAS 34, 'Interim Financial Reporting', as accepted within the European Union. The notes constitute an integral part of this condensed consolidated interim report.

### General details

Beter Bed Holding is domiciled in Uden, the Netherlands and listed on Euronext Amsterdam. The consolidated interim report of Beter Bed Holding N.V. (the 'company') for the first half of 2015 covers the company and its operating companies (collectively referred to as the 'group'). This condensed consolidated interim report has been prepared in accordance with International Financial Reporting Standards (IFRS) IAS 34, 'Interim Financial Reporting'. It does not contain all the information required for full financial statements and is to be reviewed in conjunction with the group's consolidated financial statements for 2014. This condensed consolidated interim report was approved by the Supervisory Board on 27 August 2015.

### Accounting principles and policies for the determination of the result

The accounting principles and policies for the determination of the result are identical to those for the 2014 financial statements. The application of new standards has not resulted in any material changes in the figures and notes included in these half-year figures for 2015.

### Estimates

The preparation of interim reports requires that the management form a judgement and make estimates and assumptions that affect the application of financial reporting standards, the reported value of assets and liabilities and the level of income and expenditure. Actual outcomes may vary from these estimates. Unless otherwise specified, in the preparation of this condensed consolidated interim report the significant judgements formed by the management in the application of the group's financial reporting standards and the main sources of estimation used are identical to the judgments and sources used in preparing the consolidated financial statements for the 2014 financial year.

### Risk

The risks recognised by the company and the internal control environment do not vary significantly from the information contained on this subject in the 2014 annual report.

**Seasonal pattern**

Owing to the seasonal pattern in consumer demand, revenue and net profit are usually lower in the second and third quarters than in the first and fourth quarters.

**Related parties**

The financial relationships between Beter Bed Holding N.V. and its participating interests consist almost fully in receiving dividends and receiving interest on loans provided.

**Commitments not included in the balance sheet**

The group extended its € 40 million credit facilities (of which € 20 million committed) by a period of five years, based on the existing covenants.

**Post-balance sheet events**

No events that are required to be disclosed occurred in the period between this interim report and the preparation of these financial statements.

## 8. Notes to the condensed consolidated balance sheet

**Tangible fixed assets**

Investments in stores totalled € 4.8 million during the first half of 2015 (versus € 3.7 million in the first half of 2014). Other investments related to the purchase of a DC, and IT. Land is stated at fair value, based on regular appraisals carried out by an external expert. The company is of the view that the fair value has not changed significantly since the most recent appraisals.

**Equity**

The movements in the equity items are shown in the consolidated statement of changes in equity on page 11. As at the end of June 2015, a total of 21,955,562 shares were issued and paid up. During the reporting period, the number of issued and fully paid shares increased by 50,000 as a result of employees exercising stock options. Furthermore, another 2,723 shares were sold from the portfolio, also as a result of employees exercising stock options, bringing the total number of stock options exercised to 52,723. At the end of June 2014, the number of issued and fully paid shares was 21,905,562.

The average number of outstanding shares during the reporting period for the calculation of the earnings per share was 21,938,748. The number of shares for the calculation of the diluted earnings per share is equal to 22,058,187.

During the reporting period, the final dividend for the 2014 financial year was fixed at € 0.37 per ordinary share with a nominal value of € 0.02 and was paid accordingly. The total amount of dividend paid during the reporting year was € 8,123,558.

## 9. Notes to the condensed consolidated profit and loss account

### Other operating expenses

The other operating expenses consist of € 22.8 million in rental and leasing costs (2014: € 22.6 million). The remainder of these expenses consists mainly of selling and distribution costs.

### Estimated average annual tax rate

The tax rate for the first six months of the year increased from 21.3% to 25.3%, which can be attributed mainly to the higher revenues in Germany.

### Effect of Swiss Franc exchange rate

The increase in the Swiss franc against the euro which occurred in early 2015 resulted in an increase in both revenues and costs. Nevertheless, this exchange rate increase has had only a negligible effect on the Group's operating profit.

## 10. Statement from the Management Board

The Management Board, to the best of her knowledge, hereby confirms that:

- the half-year figures 2015 give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the entities included in the consolidation;
- the half-year figures 2015 give a true and fair view of the important events of the past six-month period and their impact on the half-year financial statements, as well as the principal risks and uncertainties for the six-month period to come, and, the most important related party transactions.

The Management Board

A.H. Anbeek

B.F. Koops

## 11. Review report

To: The Supervisory and Management Board of Beter Bed Holding N.V.

### *Introduction*

We have reviewed the accompanying condensed consolidated interim financial information for the six-month period ended 30 June 2015 of Beter Bed Holding N.V., Uden, which comprises the condensed consolidated balance sheet as at 30 June 2015, the condensed consolidated income statement, the consolidated cash flow statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, and the selected explanatory notes for the six-month period then ended. The management board is responsible for the preparation and presentation of this (condensed) interim financial information in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union. Our responsibility is to express a conclusion on this interim financial information based on our review.

### *Scope*

We conducted our review in accordance with Dutch law including standard 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 30 June 2015 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union.

Eindhoven, the Netherlands, 28 August 2015

PricewaterhouseCoopers Accountants N.V.

Original has been signed by W.C. van Rooij

Please note: this review report is an unofficial translation of the official review report in Dutch, signed by W.C. van Rooij on 28 August 2015