

SMCP

SANDRO, MAJE, CLAUDIE PIERLOT



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Half year 2016: SMCP posts a strong +19.2% growth driven by all brands and regions

- Total sales of €377.2M, driven by all brands and regions
- 58 new points of sale in key select fashion cities
- Continuation of the Group strategy based on like-for-like growth and targeted international expansion

In the first half of 2016, the Group confirmed the desirability of its three brands with sales of €377.2M, up 19.2% compared to last year. This performance was driven by strong like-for-like growth (+9.3%) compared to an already solid like-for-like performance in first half 2015 (+8.9%), and the continuation of the Group's targeted international expansion.

Daniel Lalonde, President & CEO of SMCP, comments: *"In the first half 2016, our Group saw outstanding performances for all our brands and regions, with total sales up 19.2%. Our continued ability to grow is clearly driven by the global desirability of our brands and collections, the talent and creativity of our teams and the relevance of our business model. We have made remarkable progress on all of our strategic levers and intend to pursue our successful strategy with the aim of becoming the global leader in accessible luxury."*

Strong growth across all regions

In France, SMCP experienced strong results despite a challenging environment. The Group registered total growth of +12%, thereby continuing to gain market share.

Sales generated outside of France delivered a total growth of +27% and accounted for 51% of total sales. By region, the Group achieved excellent performance with sales up +26% in Europe and Middle East, and +9% in the Americas. Asia-Pacific, and in particular Greater China, proved to be an extremely dynamic market for SMCP brands with all-store growth of +51%.

Desirable collections

All three brands posted strong results driven by their Paris-designed, on-trend and high-quality collections. In particular, Claudie Pierlot demonstrated outstanding performance with sales up +31%, and Sandro and Maje grew by more than 15%.

In the first half of 2016, ready-to-wear categories that enjoyed particularly strong success were jackets, skirts and dresses. The Group's ambition to grow its accessories categories – leather goods and shoes – showed excellent results with total sales growth of +59% notably driven by iconic products such as the Maje M bag.

The Men's market via Sandro Menswear, another strategic growth lever for the Group, also revealed its worldwide potential.

Targeted expansion of the SMCP retail network

The Group pursued its expansion with 58 net openings over the first semester across its three brands. By the end of June 2016, SMCP operated 1,176 stores and was present in 35 countries. SMCP's expansion remained focused on international cities, with 74% of openings taking place outside of France.

In the first semester, SMCP opened 14 points of sale in Greater China, notably image stores in Shanghai, Chengdu and Shenzhen, in addition to two flagships stores in Fashion Walk Hong Kong (Sandro and Maje). The Group also opened several stores in Australia, notably Melbourne, and in Korea. In Europe, the Group opened new stores across its three brands in key cities such as Rome, Geneva and Valencia. Other key openings included stores in the Middle East (Dubai) and in the US (New York).

Acceleration in digital

In the first half of 2016, SMCP continued to invest in its digital strategy with the launch of Sandro and Maje online stores in China with T-Mall (Alibaba Group). In Europe, Sandro launched e-shops in Spain and Germany and Claudie Pierlot opened an online store with Harrod's.com. All three brands enhanced their customer experience via a strong presence on social media along with the acceleration of omni-channel services.

As a result, online sales posted excellent results with sales up +104%.

Outlook

In the second half of 2016, the Group intends to pursue its winning strategy centred on like-for-like growth (desirable and creative ready-to-wear collections, investments in digital, accessories and mens) while continuing to expand its international store network in selected key fashion cities.

About SMCP

With three distinct contemporary Parisian fashion brands, Sandro, Maje and Claudie Pierlot, SMCP is a global leading company in the accessible luxury sector. SMCP operates 1,176 points of sales, of which 954 are directly operated and 222 are operated through partnerships. Its brands are present in 35 countries worldwide as of June 2016. Evelyne Chetrite and Judith Milgrom founded Sandro and Maje in Paris, in 1984 and 1998 respectively and continue to provide creative direction for the brands. Claudie Pierlot was also founded in 1984 by Madame Claudie Pierlot, and acquired by the Group in 2009. Kohlberg Kravis Roberts & Co. (KKR) acquired a majority stake of Group SMCP in June 2013.

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