

SMCP

SANDRO, MAJE, CLAUDIE PIERLOT



2016 ANNUAL RESULTS

Paris, 30 March 2017

Increase in sales of +16.4% in 2016 SMCP outperforms its market and demonstrates again its strong growth potential

- **Total sales of €786M, almost doubled in three years**
- **Growth of +16.4%, driven by all brands and regions**
- **International sales increased by +24%, representing 54% of global sales**
- **Very good performance in e-commerce, reaching almost 10% of global sales**

In 2016, Group sales reached €786M, representing a strong growth of +16.4%. Like-for-Like growth stands at +7.1%, on high comparisons basis, reflecting market share gains and an outperformance in comparison to the sector. This dynamic reflects the strong desirability of the brands Sandro, Maje, and Claudie Pierlot in France and around the world.

The profitability (EBITDA) increased by +22% reaching €130M, confirming the relevance of SMCP's business model, and the successful execution of the Group's strategy.

This strategy is based on like-for-like growth, through desirable collections, constant attention given to customer experience, as well as the expansion of the point of sale network, with 105 net openings over the year, mainly outside France. At the end of 2016, SMCP operated 1,223 points of sale and its brands were present in 36 countries.

Commenting on these results, Daniel Lalonde, President & CEO of SMCP, said: *"With +16.4% growth, we exceeded our targets in 2016, and accelerated the implementation of our strategic plan. We are devoted to our mission to spread Parisian chic around the world thanks to on-trend, accessible, and high-quality collections. This year again, our results confirm the strength of our unique business model, as well as the agility and talent of SMCP's teams. In 2017 we will strengthen our position among the global leaders in accessible luxury"*.

Highlights of 2016:

In France, the activity was dynamic with a +9% sales increase in a contracting market. Sandro, Maje and Claudie Pierlot are leaders in their segment and continue to gain market share.

In 2016, **e-commerce** sales grew by nearly +80% and represent nearly 10% of the Group's revenues. The penetration rate of e-commerce is particularly high in the United States and in the United Kingdom where it exceeds 15%.

The Group's digital strategy was especially illustrated by the launch of two dedicated websites in China (Sandro and Maje on Tmall.com) and the strengthening of the Group's e-commerce relations with department stores. SMCP is enriching its omnichannel strategy, notably thanks to services such as *click & collect* and the *e-reservation* that the Group is currently deploying.

The development of the **accessories range** is part of the Group's objective to make Sandro, Maje and Claudie Pierlot global lifestyle brands. 2016 was marked by the success of the "M" bag, Maje's hit bag. Sales of accessories rose sharply with +42% over the year.

In February 2017, the Group announced a partnership with the global player Mondottica to develop eyewear collections for the Sandro and Maje brands, completing the range of accessories after shoes and leather goods.

Sandro Homme confirmed its potential in an increasingly dynamic menswear market. In 2016, the new concept for Sandro Homme stores was deployed, notably in France, Italy and Greater China.

Finally, **the Group's international targeted expansion** continues with the stated goal to develop the potential of brands in the world's largest cities and the most prestigious avenues. 90 openings were made internationally this year. Among the most notable are those on the Hong Kong Fashion Walk, on Yorkdale Mall in Toronto, on Via Frattina in Rome and on Via Roma in Florence, Italy.



« M » bag, Maje



Hong Kong Fashion Walk Sandro store

Group's geographical footprint as of December 31 2016



Prospects:

In 2017, SMCP intends to capitalize on the strength of its unique business model and continue to implement its winning strategy, with the objective to confirm its position as a global leader in the accessible luxury market. The opening of new points of sale will continue at the pace of 100 to 125 openings per year, consistent with previous years.

About SMCP

SMCP is a global leading company in the accessible luxury sector with three distinct contemporary Parisian fashion brands, Sandro, Maje and Claudie Pierlot. SMCP brands are present in more than 1200 points of sales in 36 countries. 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.

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