

# SMCP

SANDRO, MAJE, CLAUDIE PIERLOT



## Third-quarter 2017 sales SMCP registers a strong performance, in line with its 2017 growth target

Paris, 29<sup>th</sup> November 2017

- Third-quarter sales up 17.7% to €218 million (20.0% at constant currency). Nine-month sales up 16.8% to €657 million (17.8% at constant currency).
- Very solid performance boosted this quarter by one-off calendar effects in France and a favourable base effect.
- Continued strong momentum internationally driven by all three brands. International sales, up by 28.1% (30.1% at constant currency), contributed to 58% of the group's turnover in the first nine months of the year.
- 28 net openings since 30<sup>th</sup> June, representing 97 net opening over the last twelve months.
- Confirmation of full-year 2017 guidance.

SMCP, a leader in the global apparel and accessories market with its three brands Sandro, Maje and Claudie Pierlot, reports its third-quarter 2017 sales figures today.

Commenting on the report, Daniel Lalonde, SMCP's Chief Executive Officer, stated: *"The Group's strong third-quarter performance confirms the growth prospects of Sandro, Maje and Claudie Pierlot. The global success of the three brands is testament to the strength of our business model combining the codes of luxury and fast fashion.*

*We continue to implement our strategy based on pursuing organic growth, gaining market share in France and expanding internationally. On this first publication as a listed company, we confirm the 2017 financial objectives presented at the time of our initial public offering."*

### Solid third-quarter momentum

The third quarter of 2017 confirms the trend observed since the beginning of the year for the SMCP group: sales reached €218 million, up 17.7% compared with the same period of the previous year. This increase was amplified by calendar effects: in France, a one week shift in the summer sales period from June to July. In Europe, September was exceptional, benefitting from positive market conditions and a favourable base effect. At constant exchange rates, this increase amounts to 20.0% showing a more significant exchange rate impact than in the first half of the year.

The Group made progress on all its strategic levers over the course of the quarter, driven by the positive reception of the Autumn Winter collections, the Group's continued international expansion with 28 net openings over the period and the opening of Taiwan as a new market:

- Sandro notably opened meaningful free-standing stores on Regent Street, London, in Shenzhen, Munich and Frankfurt.
- Maje opened free-standing stores in Cologne, Luxembourg and at the prestigious mall Elements in Hong Kong.
- Claudie Pierlot opened stores in Luxembourg and Cologne all the whilst strengthening its presence in Italy at the department store *La Rinascente* in Rome and Milan.
- In Greater China, SMCP opened two new cities, Kunming and Harbin, which brings its presence to 20 cities. It also opened the Sandro and Maje e-shops in Mainland China.
- In France, the Group continued optimizing the quality of its network including the refurbishment of key points of sale.

The Group made progress on all its strategic levers including the roll out of the omnichannel store-to-web service for Maje in France as well as the pre-launch of eyewear collections for Sandro and Maje.

### **Nine-month growth driven by all regions and all brands**

Over the first nine months, revenue growth reached 16.8%, or 17.8% at constant currency.

- In France, SMCP continued gaining market share with sales increasing by 4%.
- In EMEA<sup>1</sup>, the Group's very strong performance of 27% was achieved across all strategic markets and the continued network expansion with 42 net openings over the last twelve months, mostly in Italy and Germany
- In Americas, growth amounted to 18% in a challenging market. The group registered a strong performance across all channels with 12 net openings over the last twelve months. The Group also performed strongly in Canada where it opened its first free-standing stores at the end of 2016.
- The region APAC<sup>2</sup> also strongly drove the Group's performances with sales growth of 39% confirming the exceptional potential and desirability of our brands in Greater China, both in tier-1 or tier-2 cities. The number of net openings in the region amounts to 48 over the last twelve months.

The growth over the last nine months is also driven by all our three brands. Sandro recorded a very strong growth of 23%, driven by the opening of first-class stores in Europe and the success of the Women's and Men's collections. Maje recorded solid sales growth of 8%, with great momentum in Greater China and continued commercial success of the "M" bag range. Finally, Claudie Pierlot's very strong growth over the period, at 20%, testifies to the brand's desirability and growing appreciation in key territories, particularly in Europe.

### **Outlook**

Following an exceptional September, SMCP saw a less dynamic market in Europe in October. To date, sales of November show a good level of growth.

For the fourth quarter, the Group anticipates a currency impact similar to that of the third quarter.

Given its expected performance for the second half of the year, SMCP confirms its full year financial guidance including a sales target of circa €900 million at December 31, 2017.

<sup>1</sup> EMEA covers the Group's activities in European countries excluding France (mainly the United Kingdom, Spain, Germany, Switzerland, Italy and Russia) as well as the Middle East (including the United Arab Emirates).

<sup>2</sup> APAC includes the Group's Asia-Pacific operations (mainly Mainland China, Hong Kong, South Korea, Singapore, Thailand and Australia).

## About SMCP

SMCP is a global player in the apparel and accessories market with three distinct contemporary Parisian fashion brands, Sandro, Maje and Claudie Pierlot. End of June 2017 SMCP brands are present in more than 1,200 points of sales in 37 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 founded in 1984 by Madame Claudie Pierlot, and acquired by SMCP in 2009. SMCP is listed on the regulated market of Euronext Paris (compartment A, ISIN Code FR0013214145, ticker: SMCP).

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### Evolution of Net Sales

Net sales by Region	H1 2017	Q3 2017	9M 2017
France	+1%	+12%	+4%
EMEA	+27%	+27%	+27%
Americas	+26%	+3%	+18%
APAC	+47%	+26%	+39%
<b>Total</b>	<b>+16%</b>	<b>+18%</b>	<b>+17%</b>

Net sales by Brand	H1 2017	Q3 2017	9M 2017
Sandro	+22%	+26%	+23%
Maje	+10%	+6%	+8%
Claudie Pierlot	+16%	+29%	+20%
<b>Total</b>	<b>+16%</b>	<b>+18%</b>	<b>+17%</b>

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