



SMCP

sandro maje claudie pierlot

2018 Q3 sales

October 30th, 2018

Daniel Lalonde, CEO

Philippe Gautier, CFO & Operations Director

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Daniel Lalonde, CEO

Q3 2018: continued strong momentum

SALES GROWTH

+14.0%
at constant currency

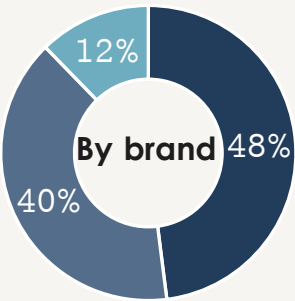
Sales: €247.7m (+13.8% on a reported basis)

POINTS OF SALE

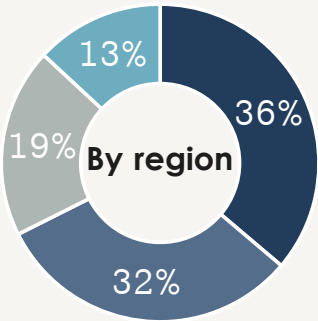
+118 LTM POS
+88 LTM DOS

1,413 points of sale

Q3 18 SALES BREAKDOWN



■ Sandro ■ Maje
■ Claudie Pierlot



■ France ■ EMEA
■ APAC ■ Americas





Key store openings across
the world

Key store openings across the world in Q3: +32 POS (o/w +20 DOS)

● New City

Americas

+5 POS

Sandro & Maje

Pacific Centre – Vancouver

Maje

Rockefeller – NYC

France

-5 POS

Sandro

Lugano – Switzerland

Maje

Verona – Italy

EMEA

+11 POS

Sandro & Maje

MM2 – Urumqi

Claudie Pierlot

Deji Plaza – Nanjing

Sandro

Venetian – Macao

Maje

New Town Plaza – HK

Sandro

Raffles City – Singapore

APAC

+21 POS

Sandro & Maje

APM – Beijing

Claudie Pierlot

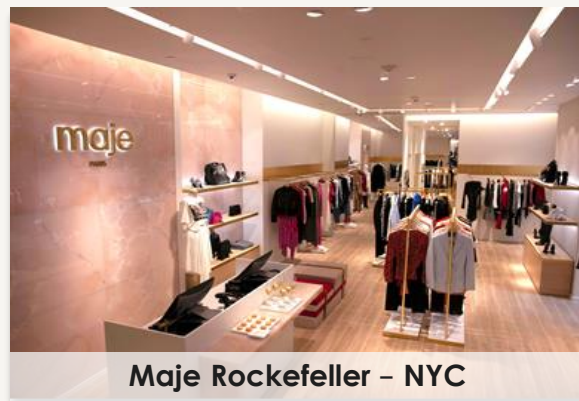
Joy City – Beijing

Maje

K11 – Shanghai

Claudie Pierlot

IGC – Guangzhou



Maje Rockefeller – NYC



Maje Verona – Italy

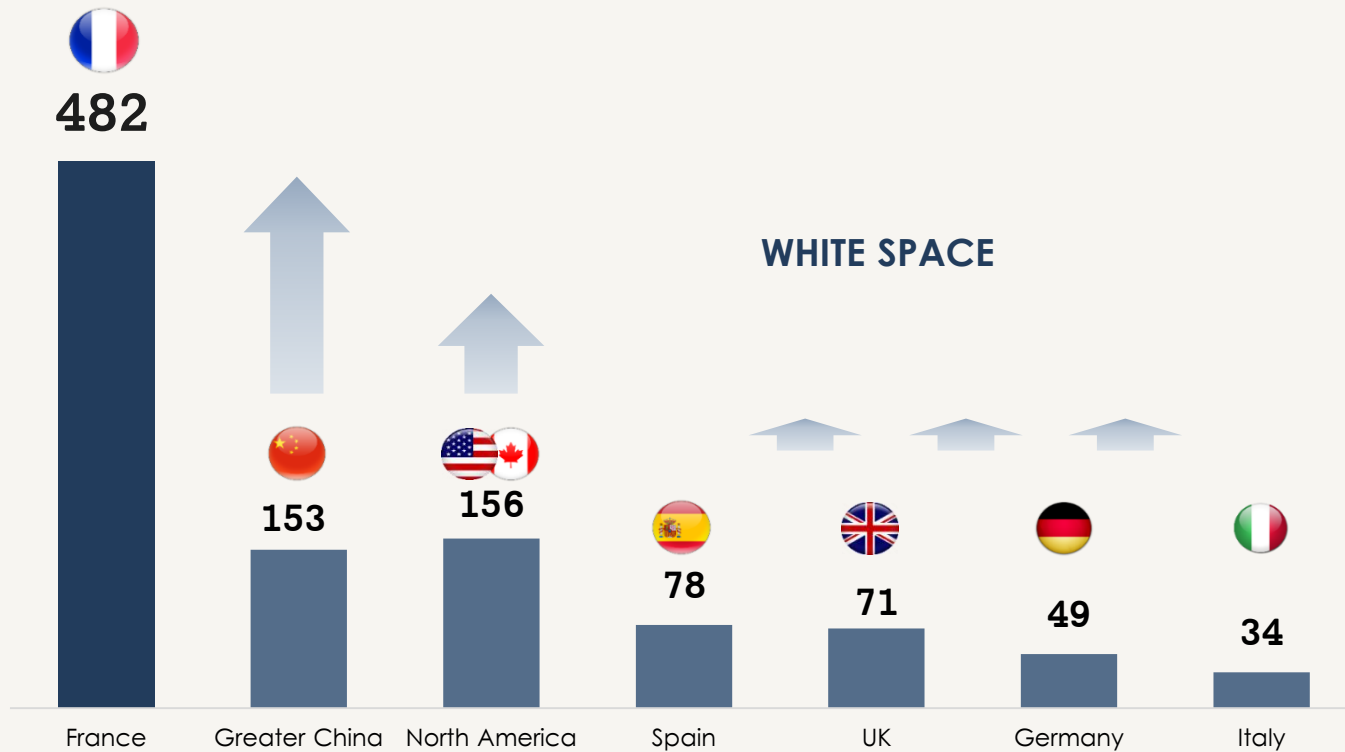


Claudie Pierlot – Beijing Joy City



Sandro – Beijing APM

Meaningful white space potential: expand footprint in key international markets



Continued investment in Digital



Since October 2018



WeChat CRM integration on track
with now 100% of stores equipped



SMCP
sandro maje claudie pierlot

/ MY
LEARNING

- Digitalize learning approach
- Facilitate access to training for all employees, especially Retail
- Develop employee skills
- Increase efficiency & business performance
- Measure training ROI, keep track on training KPIs

Since October 2018

Innovative brand collaborations

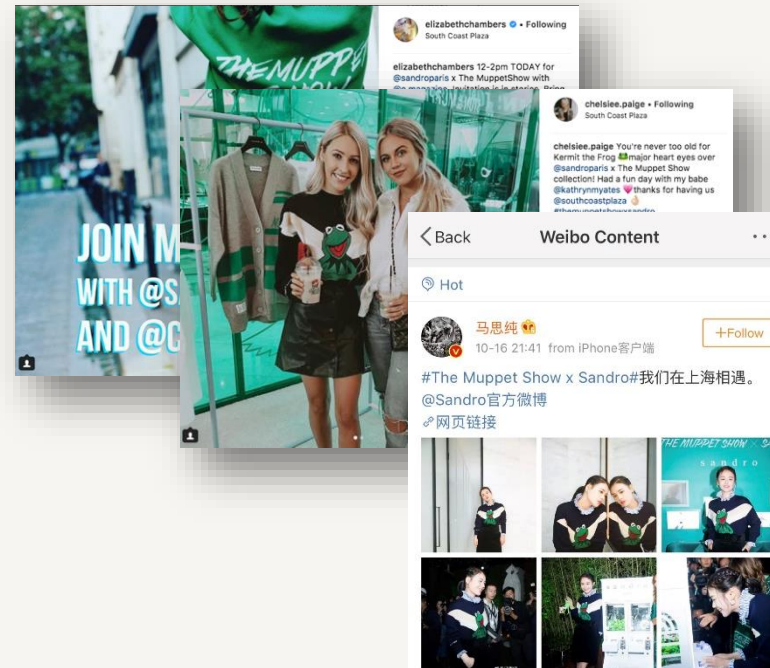


- Bring the hype and awareness
- Global brand strategy with local engagements
- Mediatization and digital activation
- Drive traffic with retail-tainment



Juliette Armanet – French singer

Sandro x The Muppet Show

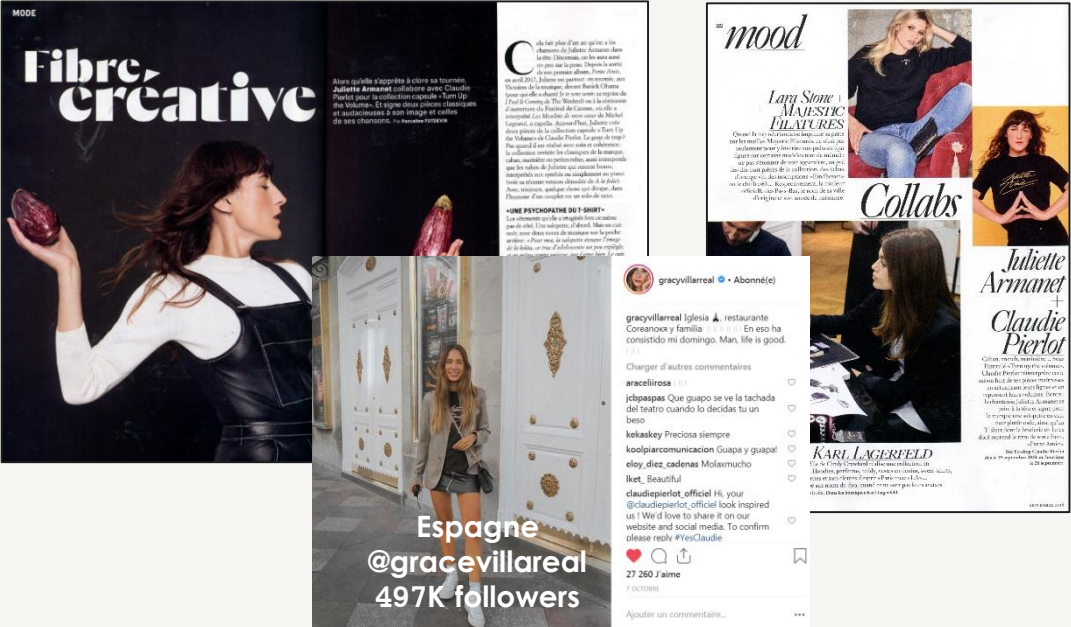


Claudie Pierlot x Juliette Armanet

Communicate on Claudie Pierlot DNA in a modern way



Ensure brand visibility and develop awareness internationally





Philippe Gautier,
CFO & Operations Director

Q3 2018: continued strong momentum

SALES GROWTH

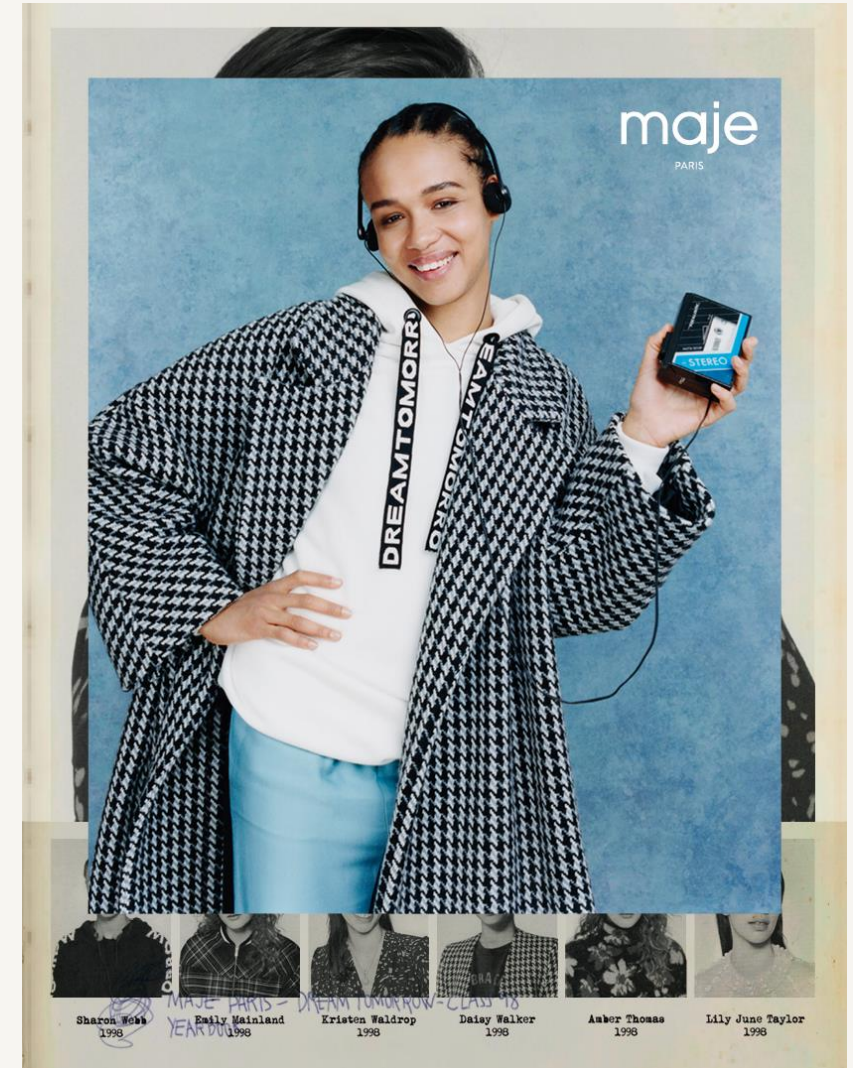
+14.0%
at constant currency

POINTS OF SALE

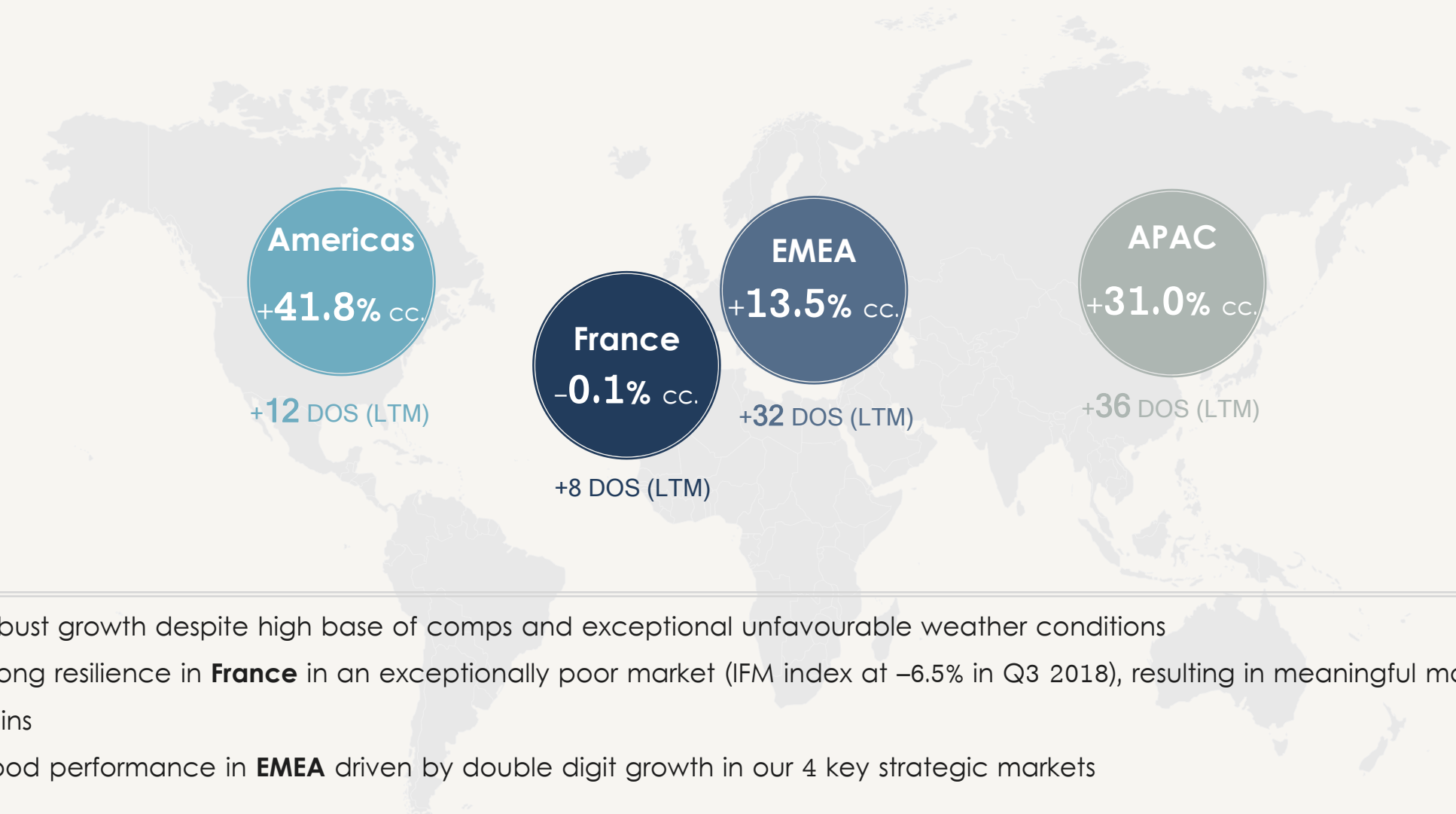
+118 LTM POS
+88 LTM DOS

Sales: €247.7m (+13.8% on a reported basis)

- / Strong quarter despite high base of comps and unfavourable weather conditions
- / Neutral currency impact in Q3 after being negative in H1 2018
- / Strong resilience in France despite a tough market
- / Robust international growth, up +23.6% at constant currency
- / Continued progress of our strategic levers: men, accessories and digital
- / Openings roadmap on track to reach our FY objective : +58 DOS (first 9M 18 o/w +20 in Q3 18)



Q3 2018: strong regional dynamics



/ **Europe:** robust growth despite high base of comps and exceptional unfavourable weather conditions

- Strong resilience in **France** in an exceptionally poor market (IFM index at -6.5% in Q3 2018), resulting in meaningful market share gains
- Good performance in **EMEA** driven by double digit growth in our 4 key strategic markets

/ **Americas:** outstanding growth in North America supported by favourable base of comps and solid underlying trends

/ **APAC:** continuous strong momentum driven by both LFL and expansion in line with our expectations

Q3 2018: all brands growing at double digits

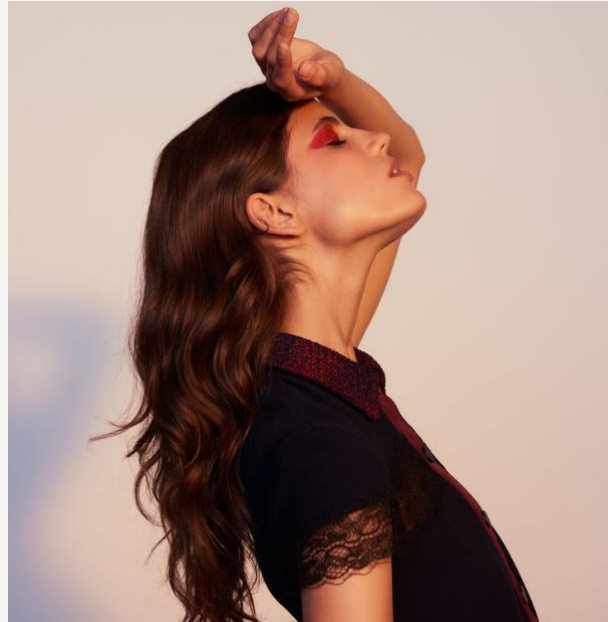
s a n d r o



+10.0% at cc.

/ +33 net openings¹ over the LTM
/ Q3 18 key openings : Pacific
Centre in Vancouver, Venetian in
Macao and APM in Beijing

maje



+20.6% at cc.

/ +34 net openings¹ over the LTM
/ Q2 18 key openings: Rockefeller in
New York, APM in Beijing and
Verona

C L A U D I E
P I E R L O T



+10.1% at cc.

/ +22 net openings¹ over the LTM
/ Q2 18 key openings: Joy City in
Beijing, IGC in Guangzhou and
Nanjing

⁽¹⁾ Directly operated stores



Outlook

2018 guidance confirmed

SALES GROWTH at cc.

> +13%

Adj.¹ EBITDA MARGIN
CONFIRMED

Around **17%**





Appendix

Quarterly net sales by brand and region

<i>In €m</i>	Q1-17	Q1-18	%	% at cc.	Q2-17	Q2-18	%	% at cc.	H1-17	H1-18	%	% at cc.	Q3-17	Q3-18	%	% at cc.	9M-17	9M-18	%	% at cc.
France	99.1	99.8	+0.7%	+0.7%	87.8	87.1	-0.7%	-0.7%	186.9	187.0	+0.0%	+0.0%	89.7	89.6	-0.1%	-0.1%	276.6	276.6	+0.0%	+0.0%
EMEA	64.5	71.9	+11.5%	+13.3%	64.9	73.5	+13.3%	+15.1%	129.4	145.4	+12.4%	+14.2%	68.6	77.8	+13.4%	+13.5%	198.0	223.3	+12.7%	+13.9%
Americas	25.9	29.3	+12.9%	+29.5%	26.3	31.0	+17.7%	+27.1%	52.3	60.3	+15.4%	+28.3%	22.6	32.5	+43.5%	+41.8%	74.9	92.7	+23.9%	+32.6%
APAC	35.7	51.0	+42.8%	+54.1%	34.6	49.6	+43.3%	+47.7%	70.3	100.6	+43.1%	+50.9%	36.7	47.8	+30.2%	+31.0%	107.0	148.4	+38.6%	+43.8%
Total	225.3	252.0	+11.9%	+15.8%	213.6	241.3	+12.9%	+15.2%	438.9	493.3	+12.4%	+15.5%	217.7	247.7	+13.8%	+14.0%	656.6	741.0	+12.9%	+15.0%
Sandro	111.7	124.7	+11.7%	+15.9%	105.3	118.1	+12.1%	+14.7%	217.1	242.9	+11.9%	+15.3%	108.2	118.9	+9.9%	+10.0%	325.3	361.8	+11.2%	+13.5%
Maje	85.5	95.6	+11.8%	+16.0%	82.4	94.1	+14.2%	+16.6%	167.9	189.7	+13.0%	+16.3%	81.8	98.4	+20.3%	+20.6%	249.7	288.1	+15.4%	+17.8%
Claudie Pierlot	28.0	31.7	+13.1%	+14.1%	25.9	29.0	+12.1%	+13.0%	53.9	60.7	+12.6%	+13.5%	27.6	30.4	+10.1%	+10.1%	81.5	91.1	+11.8%	+12.4%
Total	225.3	252.0	+11.9%	+15.8%	213.6	241.3	+12.9%	+15.2%	438.9	493.3	+12.4%	+15.5%	217.7	247.7	+13.8%	+14.0%	656.6	741.0	+12.9%	+15.0%

Breakdown of POS

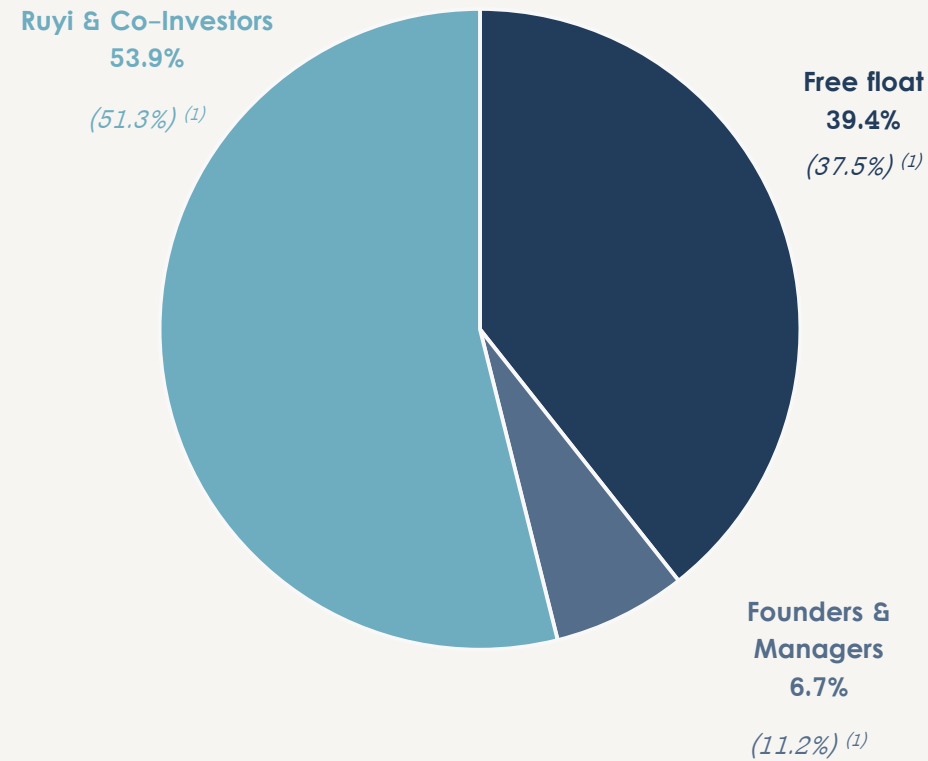
Directly operated stores

Number of DOS	9M-17	H1-18	9M-18	Var. 9M 18 vs H1 18	Var. 9M 18 vs FY 17	Var. 9M 18 vs 9M 17
<u>By region</u>						
France	474	487	482	-5	+7	+8
EMEA	316	341	348	+7	+21	+32
Americas	128	135	140	+5	+5	+12
APAC	122	145	158	+13	+25	+36
<u>By brand</u>						
Sandro	453	479	486	+7	+20	+33
Maje	356	382	390	+8	+23	+34
Claudie Pierlot	183	200	205	+5	+14	+22
Suite 341	48	47	47	-	+1	-1
Total DOS	1,040	1,108	1,128	+20	+58	+88

Total points of sale

Number of POS	9M-17	H1-18	9M-18	Var. 9M 18 vs H1 18	Var. 9M 18 vs FY 17	Var. 9M 18 vs 9M 17
<u>By region</u>						
France	474	487	482	-5	+7	+8
EMEA	415	450	461	+11	+30	+46
Americas	148	157	162	+5	+7	+14
APAC	258	287	308	+21	+37	+50
<u>By brand</u>						
Sandro	577	611	624	+13	+31	+47
Maje	470	504	515	+11	+31	+45
Claudie Pierlot	200	219	227	+8	+18	+27
Suite 341	48	47	47	-	+1	-1
Total POS	1,295	1,381	1,413	+32	+81	+118
<i>o/w Partners POS</i>	<i>255</i>	<i>273</i>	<i>285</i>	<i>+12</i>	<i>+23</i>	<i>+30</i>

Shareholding structure



As of October 30th, 2018 the share capital of the Company is composed of 74,463,121 shares (including 1,293,098 Free Preferred Shares)
Assuming conversion of all the Free Preferred Shares into ordinary shares, the share capital of the Company would be composed of up to 78,242,937 shares

(1) Post conversion of the Free Preferred Shares and excluding LTIP

Definitions of non-IFRS financial measures

- / “Net sales” consists of total sales (retail and wholesale sales) net of rebates, discounts, VAT and other sales taxes, but before the deduction of concession fees paid to department stores and commissions paid to affiliates.
- / “Sales growth at constant currency” corresponds to total sales in a given period compared with the same period in the previous year, expressed as a percentage change between the two periods, and presented at constant exchange rates (sales for period N and period N-1 in foreign currencies are converted at the average year N-1 rate).
- / “Like-for-like sales growth” corresponds to retail sales from directly operated points of sale on a like-for-like basis in a given period compared with the same period in the previous year, expressed as a percentage change between the two periods. Like-for-like points of sale for a given period include all of the Group's points of sale that were open at the beginning of the previous period and exclude points of sale closed during the period, including points of sale closed for renovation for more than one month, as well as points of sale that changed their activity (for example, Sandro points of sale changing from Sandro Femme to Sandro Homme or to a mixed Sandro Femme and Sandro Homme store). Like-for-like sales growth percentage is presented at constant exchange rates (sales for year N and year N-1 in foreign currencies are converted at the average N-1 rate, as presented in the annexes to the Group's consolidated financial statements as at December 31 for the year N in question).
- / “Adjusted EBITDA” is defined by the Group as operating income before depreciation, amortization, provisions and charges related to share-based long-term incentive plans (LTIP). Consequently, Adjusted EBITDA corresponds to EBITDA before charges related to LTIP. These charges were nil in 2016 and amounted to €1.9 million in 2017. Adjusted EBITDA is not a standardized accounting measure that meets a single generally accepted definition. It must not be considered as a substitute for operating income, net income, cash flow from operating activities, or as a measure of liquidity.
- / “Adjusted EBITDA margin” corresponds to Adjusted EBITDA divided by net sales.
- / “Gross margin” as reported in the financial statements corresponds to the net sales after deduction of cost of sales and commissions paid to the department stores and affiliates. The company uses and monitors as an operational KPI the “management” gross margin before commissions and refers to it in its management presentations rather than the gross margin after commission.
- / “Retail margin” corresponds to the gross margin after taking into account the points of sale's direct expenses such as rent, personnel costs, commissions paid to the department stores and other operating costs.
- / “Selling, general and administrative expenses” are those incurred at the corporate level/central costs and not allocated to a point of sale or partner. These elements are added to the retail margin to obtain EBITDA.