



2019 First quarter
Press release - Paris, April 29th, 2019

2019 Q1 sales in line with expectations Sales growth acceleration throughout the quarter

- Sales growth at +7.2% at cc.¹ (+9.0% reported); another resilient quarter despite a challenging environment in France
- Double-digit international sales growth, driven by an outstanding performance in APAC (+28.4% at cc.)
- Positive international like-for-like growth, driven by APAC, with a double-digit like-for-like growth
- Positive results from SS19 collections, leading to lower discount rates
- Continued progress on digital and accessories
- 8 DOS openings in Q1 19 and further progress on French network optimization plan
- Full-Year guidance confirmed

Commenting on the report, Daniel Lalonde, SMCP's Chief Executive Officer, stated: " Q1 sales are in line with our expectations, and we are particularly satisfied with our performance in APAC which demonstrates the huge international potential of our brands and their ever-growing desirability. In France, we successfully pursued the optimization of our network while investing in key stores' renovation. Globally, we further developed our sales of accessories and successfully pursued our digital strategy such as a new partnership with JD.com in Mainland China. Over the upcoming quarters, we will remain focused on our key priorities for 2019, including driving retail excellence, accelerating our digital journey and strengthening our international platform to support growth opportunities in line with our strategic objectives. Looking forward, we are confirming our full-year guidance."

€ million except %	Q1 2018	Q1 2019	Sales growth Constant currency	Sales growth Reported change
Sales by region				
France	99.8	96.0	-3.9%	-3.9%
EMEA ²	71.9	79.4	+9.9%	+10.4%
Americas	29.3	31.7	+1.0%	+8.4%
APAC ³	51.0	67.5	+28.4%	+32.3%
Sales by Brand				
Sandro	124.7	132.5	+4.3%	+6.2%
Maje	95.6	106.9	+9.8%	+11.9%
Claudie Pierlot	31.7	35.2	+10.5%	+10.9%
TOTAL	252.0	274.6	+7.2%	+9.0%

Unaudited figures

¹ At Constant currency

² 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).

³ APAC includes the Group's Asia-Pacific operations (mainly Mainland China, Hong Kong, South Korea, Singapore, Thailand and Australia).

2019 FIRST QUARTER SALES

In the first quarter of 2019, consolidated sales reached €274.6 million, up +7.2% at constant currency. Reported sales stood at +9.0%, as the currency impact has turned positive, up +1.8pts, driven by the US dollar and the Chinese Renminbi. This performance includes a positive international like-for-like growth, notably driven by APAC, which was at double-digit on a like-for-like basis, while the Group continued to expand its stores network.

Over the last twelve months, SMCP net openings reached +111 directly operated stores. This includes +55 net openings in APAC, +48 in EMEA and +11 in the Americas. Meanwhile, in France, where the Group has pursued the optimization of its network with -3 targeted net closings (DOS), SMCP continued to invest in new qualitative locations. Overall in Q1 2019, SMCP opened +8 directly operated stores.

Sales breakdown by region

In France, sales were down -3.9% affected by a decrease of traffic in a challenging market which has been marked by a slowdown in tourism and lower consumer confidence, as a consequence of the yellow vests movement. Meanwhile, SMCP pursued its network optimization plan with 6 net closings over the quarter and some qualitative investments in key locations including Sandro Lille, Claudie Pierlot Cannes and Maje Francs Bourgeois.

In EMEA, SMCP delivered a strong performance of +9.9% at constant currency including a solid like-for-like growth. After a soft start in January, the quarter benefited from a sequential growth acceleration in most of its key markets, notably supported by the positive reception of the 2019 Spring-Summer collections.

In the Americas, the Group generated +1.0% sales growth at constant currency against a very high basis of comparison, in a market showing a soft start to the year notably due to a slowdown in tourism. The performance also reflected cold weather conditions which led to a late start of the 2019 Spring-Summer collections.

In APAC, the Group recorded an outstanding sales growth of +28.4% at constant currency, on top of a very high basis of comparison (+54.1% in Q1 2018), reflecting the strong start of the 2019 Spring-Summer collections as well as very dynamic trends in greater China, particularly in Mainland China (over +35% of sales growth at cc.). This performance was driven by a double-digit like-for-like sales growth, the continued stores network expansion and solid progress in digital. The Group recently announced a new strategic partnership with JD.com which will lift the Group's customer reach to another level in Mainland China and will further diversify SMCP's digital sales channels.

Sales breakdown by brand

Maje and **Claudie Pierlot** reported a sales growth of respectively +9.8% and +10.5% at constant currency, while **Sandro's** sales growth stood at +4.3% at constant currency. These performances reflected a stronger contribution from openings for Maje and Claudie Pierlot, notably with the openings of more meaningful stores, and a better performance of the 2018 Fall-Winter's sales period in France for both brands. Meanwhile, all the brands generated strong international sales growth, particularly supported by the good start to the 2019 Spring-Summer collections in all regions.

Over the quarter, SMCP displayed solid progress in accessories, mostly driven by shoes for Sandro thanks to the success of the "Flame" sneakers, and all categories for Claudie Pierlot, while Maje continued to capitalize on the momentum of the M bag family. The three brands recorded very positive results in social media, acquiring new followers including +45% for Sandro, +35% for Maje and +42% for Claudie Pierlot.

Over the last twelve months, **Sandro** recorded +41 DOS net openings, including Marbella (Spain), Galeries Lafayette in Shanghai (China) and the relocation of a dual gender store in Lille (France). **Maje** pursued its development with +47 DOS net openings, including key stores in Marbella (Spain), Galeries Lafayette in Shanghai

(China) and the renovation of Francs Bourgeois in Paris. Finally, **Claudie Pierlot** recorded +22 DOS net openings, increasing its international footprint notably with +11 DOS in APAC including Galeries Lafayette in Shanghai (China).

2019 GUIDANCE CONFIRMED

As stated in the Group's full year results press release for the year 2019, SMCP is targeting a sales growth of between +9% and +11% at constant currency and a stable adj. EBITDA¹ margin compared to 2018.

FINANCIAL INDICATORS NOT DEFINED IN IFRS

The Group uses certain key financial and non-financial measures to analyse the performance of its business. The principal performance indicators used include the number of its points of sale, like-for-like sales growth, Adjusted EBITDA and Adjusted EBITDA margin.

Number of points of sale

The number of the Group's points of sale comprises total retail points of sale open at the relevant date, which includes (i) directly-operated stores, including free-standing stores, concessions in department stores, affiliate-operated stores, factory outlets and online stores, and (ii) partnered retail points of sale.

Like-for-like sales growth

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 and adjusted EBITDA margin

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.

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.

¹ This guidance is disclosed without taking into account impact of the application of IFRS 16, effective as of fiscal year 2019.

METHODOLOGY NOTE

Unless otherwise indicated, amounts are expressed in millions of euros and rounded to the nearest million. In general, figures presented in this press release are rounded to the nearest full unit. As a result, the sum of rounded amounts may show non-material differences with the total as reported. Note that ratios and differences are calculated based on underlying amounts and not on the basis of rounded amounts.

DISCLAIMER: FORWARD-LOOKING STATEMENTS

Certain information contained in this document may include projections and forecasts. These projections and forecasts are based on SMCP management's current views and assumptions. Such statements are not guarantees of future performance of the Group. Actual results or performances may differ materially from those in such projections and forecasts as a result of numerous factors, risks and uncertainties.

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For more information regarding these factors, risks and uncertainties, please refer to the information contained in the documents filed with the French Financial Markets Authority (Autorité des Marchés Financiers - AMF) as part of the regulated information disclosure requirements and available on SMCP's website (www.smcp.com).

A conference call to investors and analysts will be held by Philippe Gautier, CFO and Operations Director from 9.00 a.m. (Paris time).

Related slides will also be available on the website (www.smcp.com), in the Finance section.

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*. Present in 40 countries with 1,466 points of sale, SMCP generated €1 bn sales in 2018. 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).

INVESTORS CONTACT

Celia d'Everlange
Pauline Roubin

+33 (0) 1 55 80 51 00
celia.deverlange@smcp.com
pauline.roubin@smcp.com

PRESS CONTACT

Brunswick - Hugues Boëton

+33 (0) 1 53 96 83 83
smcp@brunswickgroup.com