

SMCP

sandro maje claudie pierlot



DE
FURSAC

**Acquisition of a French leader in men accessible luxury,
poised for international expansion**

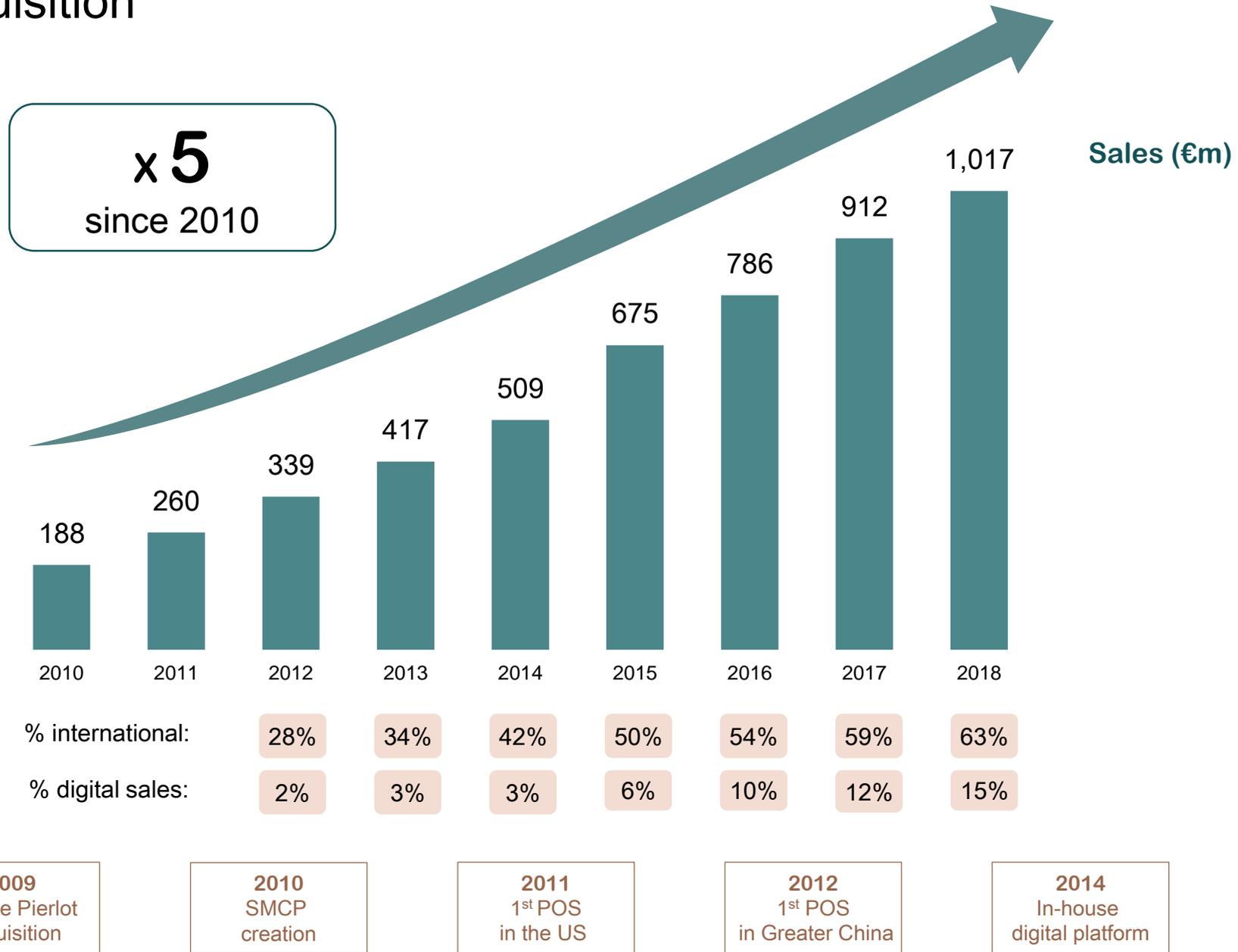
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SMCP - 10 years of successful organic growth, developing robust platform ready to integrate an acquisition





- 1 **Contemplated transaction overview**
- 2 **De Fursac at a glance**
- 3 **Strategic rationale: perfect move for SMCP, generating strong value**
- 4 **Key parameters and next steps**

Contemplated transaction

Overview

- Acquisition of 100% of De Fursac, a French leader in men's accessible luxury, poised for international expansion

Rationale

- Accelerate SMCP strategic roadmap, reinforcing menswear, one of the most attractive markets
- Expand offer by entering new segment in men's accessible luxury
- Leverage SMCP international & digital expertise to accelerate De Fursac successful growth trajectory

Key parameters

- Positive impact on EPS from 2019 (full year basis)
- 100% debt-financed
- Full financing already in place



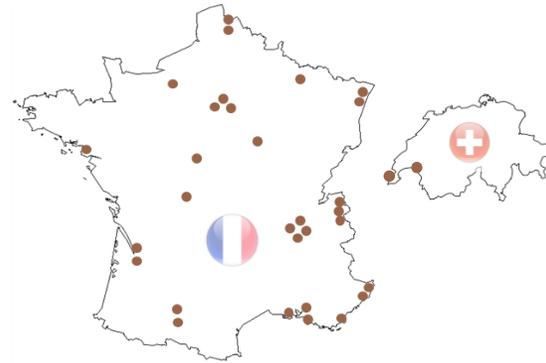
De Fursac at a glance: a French leader in men's accessible luxury

Half-Century of history

- Founded in **1973** and acquired by E. Cohen in 1990 (CEO)
- Artistic Director: **Alix Le Naour**, since 2011
- Exclusive partnerships with Italian fabrics
- Digital launch in **2014**
- c.200 employees in 2018



Prime store locations



#54 POS in 29 cities in France and Switzerland

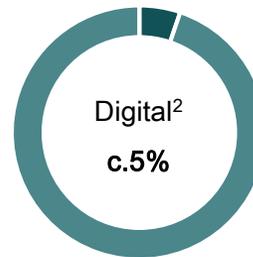
Leader in French department stores

- Consistently in **Top 3** in all **French department stores**
- **Strong appetite from tourism**, especially Chinese

Attractive economics¹

- Sales: **€41.4m**
- Sales growth CAGR 16-18: **+10.0%**
- LFL 2017-18 > **+5%**
- Gross margin > **75%**
- EBITDA margin > **SMCP Group margin**
- Average transaction value: **€441**

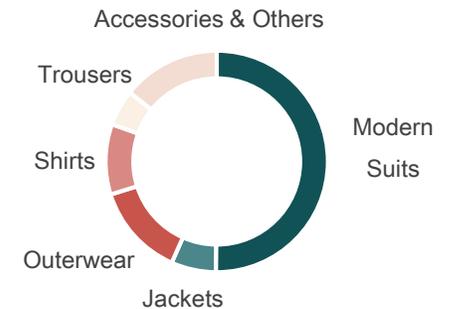
2018 sales breakdown



By channel³



By geography



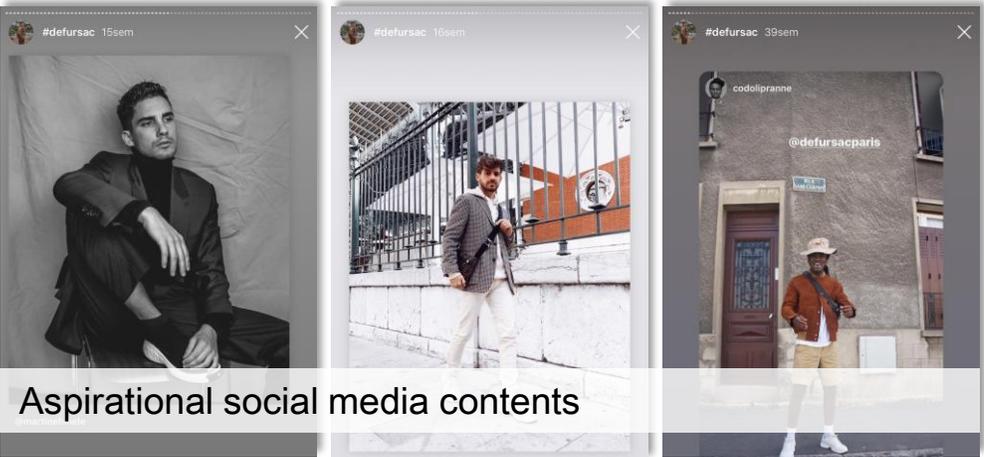
By category

¹ FY2018 figures

² Retail digital sales

³ in France

De Fursac: Blending tailoring heritage with style, chic and timelessness; strong Parisian DNA



DE FURSAC AT A GLANCE

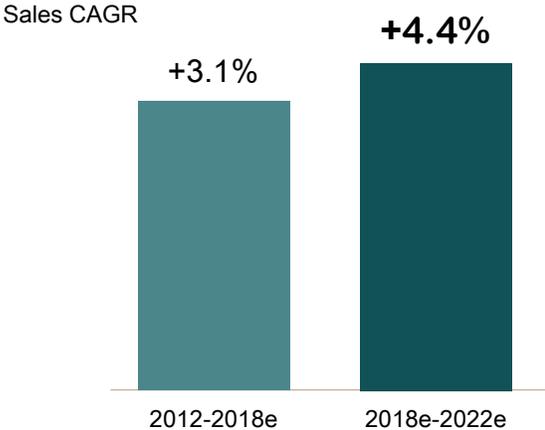
Accessible luxury menswear: an attractive segment poised for growth

Menswear accessible luxury
A large market



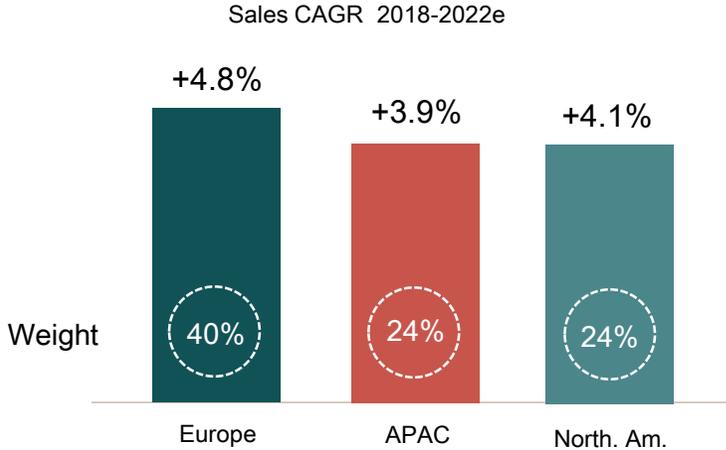
Source: Statista Consumer Market outlook 2019

Menswear accessible luxury
A growing market



Source: Euromonitor, Altgamma, BCG market model

Broad-based growth
among key regions



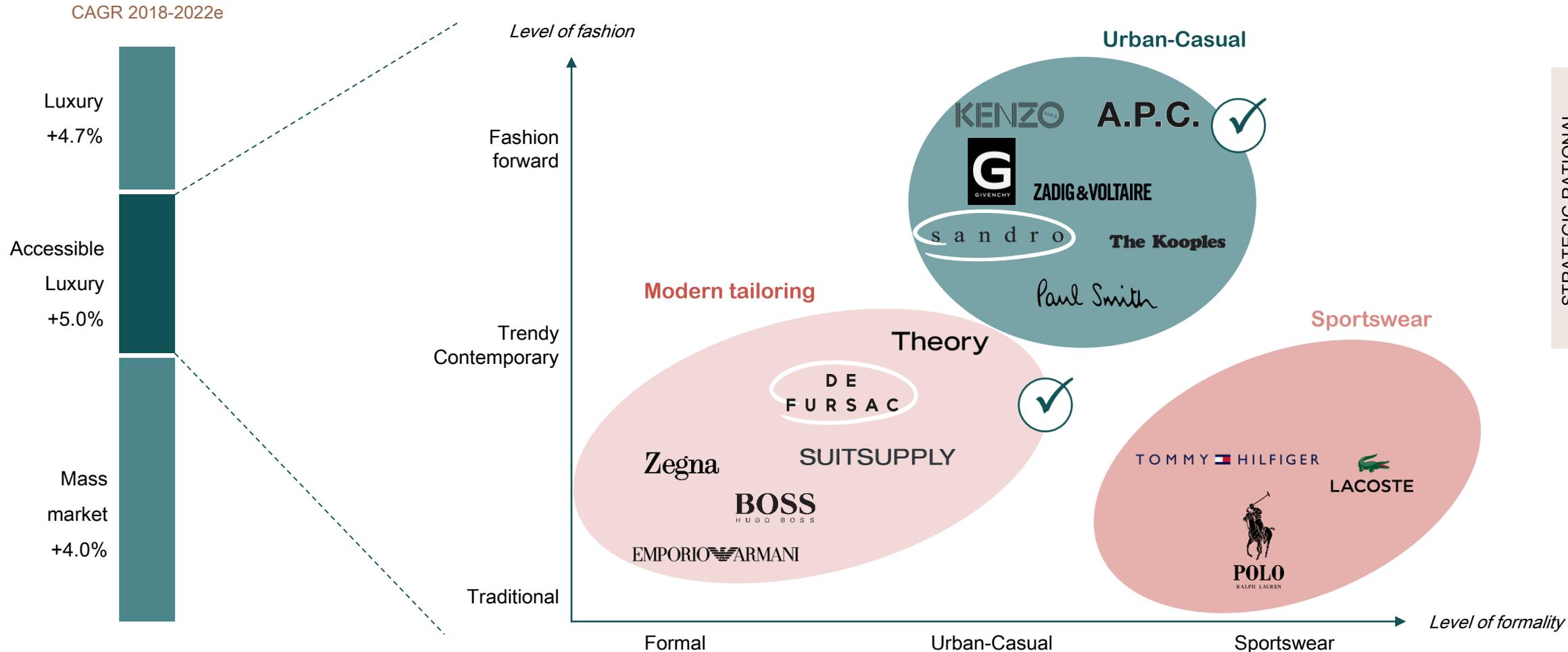
Source: Euromonitor, Altgamma, BCG market model

- Growing Asian middle-class
- Men are becoming more style-conscious
- Emerging trend: blending tailoring & casual codes (especially millennials)
- Digital: a strong enabler for men shopping experience

Strategic rationale: entering new dynamic segment in menswear: “modern tailoring”

Accessible Luxury
Fastest growing segment of fashion market

Menswear accessible Luxury
3 distinct segments



Source: Euromonitor, Altgamma, BCG market model

STRATEGICAL RATIONAL

Leveraging SMCP expertise to accelerate De Fursac successful growth

1

Expand
geographical footprint



- Develop Europe in key countries
- Penetrate Greater China
- Explore new markets

2

Accelerate
digital



- Accelerate organic growth in France
- Open own websites in new countries
- Develop e-partnerships

3

Develop
attractive product categories



- Develop accessories
- Build on current success of urban casual line

SMCP and De Fursac share same business model

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Blending codes of luxury and fast fashion

LUXURY

- / Creative process
- / Prestigious locations
- / Personalised service

FAST FASHION

- / Fast, agile product cycle
- / Newness all the time
- / Scalable retail model

- ✓ High growth: consistent, quality, profitable
- ✓ Newness in season
- ✓ Strong pricing power

Retail pure player

DE FURSAC



STRATEGIC RATIONAL

Perfect match: an encounter between passionate entrepreneurs



s a n d r o
PARIS

maje
PARIS

CLAUDE
PIERLOT
PARIS

DE
FURSAC

Shared values

Strong entrepreneurial spirit

Creative thinking & innovation

Strong family heritage

Agile organization and ambitious teams

Perfect move for SMCP, aligned with our strategy and generating value

1 Unique opportunity to acquire a French leader with strong desirability, addressing a new customer segment in the fast-growing men's accessible luxury market

2 SMCP, the ideal platform to accelerate De Fursac's growth trajectory with a clear roadmap, including digital and international expansion

3 Perfect match for SMCP: shared values and passionate entrepreneurs

Key parameters and next steps

Key parameters

- Acquisition of 100% of the capital
- 100% debt-financed (already secured)

Next steps

- Works council consultation & regulatory authorities approval
- Expected closing: before the end of Q3 2019

