

Results for the first half of the 2017-2018 financial year

Strong resilience in a volatile environment

CONSOLIDATED DATA AS OF THE END OF DECEMBER (in million Euros)	2016/17 Published	2016/17 Restated*	2017/18 Published	Variance
Sales	403.7	403.7	408.8	+1.3%
Earnings before interest, taxes, depreciation and amortization (EBITDA)	23.6	23.6	21.2	-10.0%
Current operating result	16.4	16.3	13.0	-20.2%
Non-current operating items	(1.9)	(1.9)	0.5	
Financial results	(0.7)	(0.7)	0.0	
Corporate income tax	(0.9)	(0.9)	(1.6)	
Net income from continuing operations	12.9	12.9	11.9	-7.1%
Net income from discontinued operations	0.0	0.0	0.0	
Net profit	12.9	12.9	11.9	-7.2%

*Restated data following the allocation on the half-year, of the price of the acquisition of 3Pagen & Vitrine magique.

ACTIVITY

For the first half of the year, the Group achieved a €408.8 million turnover, with a growth of +1.3% in real terms compared with the same period last year (+2.1% at like for like exchange rate and -2.8% at like for like scope and exchange rate).

The turnover for the "Textile" activity stands at €320.7 million, down -3.0% compared with the first half of the previous financial year (-2.3% at like for like exchange rate). The good performance of Damart (+1.5% at like for like exchange rate) supported by E-commerce, was offset by the significant sales decline of Afibel in France and in Great Britain.

The "Home & Lifestyle" activity is up +20.5% (+22.0% at like for like exchange rate), standing at €88.1 million this half-year supported among other factors by the robust growth of 3Pagen and Vitrine Magique, and the full-year impact of the acquisition of these two



brands. Conversely, Coopers of Stortford have experienced a significant though controlled decline of -20.4% at like for like exchange rate.

RESULTS

The **current operating result** (ROC) stands at €13.0 million, down -20.2% compared with the first half of the previous financial year.

The combination of a difficult month of October for all players on the market, pressure on selling prices and fluctuating foreign exchange rates, has had an adverse effect on the activity and margins over the period. But the fine steering of the offer and price policy have helped keep the decline under check.

As it is aware of the volatile environment it operates in, the Group has continued adapting its commercial and indirect costs, while continuing its efforts to prospect new customers.

It is to be noted that the period suffers from an unfavourable, though expected, seasonal effect, connected to the acquisition of 3Pagen and Vitrine Magique. The results of the 1st quarter (not integrated to the previous financial year) traditionally show a negative contribution.

In this context, and even though it is slightly down compared with the previous financial year, the operational profitability remains good, at 3.2% of the turnover.

The ROC of the **Textile** section has been sustained at €12.7 million, i.e. 4.0% of its turnover. The operational profitability of the **Home & Lifestyle** section stands at 0.4%, i.e. €0.4 million.

The **net profit** is down at €11.9 million (-7.2%) due to the significant increase in taxes and in spite of positive non-current items and financial results under control.

FINANCIAL POSITION

The **net financial debt** has improved by €2.4 million this half-year and stands at €32.7 million, while integrating a significant level of investment at €7.8 million over the period.

OUTLOOK

In line with its roadmap, the Group has shown resilience thanks to its capacity to adapt to the diversification of its activities, in an environment that remains complicated.

PROFILE

The Damartex Group operating under the names Damart, Afibel, La Maison du Jersey, Xandrès for the "Textile" activity, 3Pagen, Vitrine Magique, Coopers of Stortford, Jours Heureux, Delaby, Sedagyl and Vivadia for the "Home & Lifestyle" activity, is one of the leading European retailers for seniors (55+ segment). The Group has developed an omni-channel, differentiated strategy according to brands and countries. It is mainly operating in France, the UK, Belgium and Germany.

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KEY DATES

Publishing of sales figures for the third quarter: 19 April 2018



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