

Results for the 2015-2016 financial year

Growing activity and sharp increase in net earnings

CONSOLIDATED DATA AS OF THE END OF JUNE (in million Euros)	2014/15 published	2014/15 restated *	2015/16 published	Variance (published vs. restated)	Variance (published vs. published)
Turnover	696.7	695.5	717.3	+3.1%	+2.9%
Earnings before interest, taxes, depreciation and amortization (EBITDA)	29.9	31.5	30.9	-1.8%	+3.4%
Current operating income	17.6	19.7	21.6	+9.6%	+22.9%
Non-current operating items	(2.0)	0.6	(1.0)		
Financial results	(1.2)	(1.2)	(0.2)		
Corporate income tax	(1.7)	(1.7)	(1.1)		
Result of continued activities	12.7	17.4	19.3	+11.3%	+52.2%
Result of discontinued activities	0.0	(4.7)	(2.4)		
Net profit	12.7	12.7	16.9	+33.2%	+33.2%

*The 2014/15 accounts have been restated following the decision of the Group to stop the activities of Happy D. by Damart (IFRS 5).

ACTIVITY

The Damartex Group ends the 2015/2016 financial year with a turnover of €717.3 million, up +3.1% in real terms compared with the previous financial year (+2.6% at like for like exchange rate).

The "**Textile**" activity has recorded a **+2.7%** growth in turnover of the financial year, at € 620.9 Mn (+ 2.3% at like for like rates).

The "**Home & lifestyle**" activity has grown by **+5.7%** at € 96.4 million (+4.5% at like for like rates) over the whole financial year.

In addition to the significant growth of the Home & Lifestyle activity, the financial year will be remembered for further improvement to the Textile



activity, especially in France and in the UK despite an increasingly competitive environment and the impact of terrorist attacks.

RESULTS

All through the financial year, the **EBITDA has shown a +3.4% growth** (-1.8% compared with the previous restated financial year), and is standing at **€ 30.9 million**, i.e. 4.3% of the turnover. This decrease compared with the previous restated financial year can be explained by an increase in reversals of provisions, derived from a more proactive surplus stock clearance policy this year as compared with the 2014-2015 financial year.

Current operating income stands at € 21.6 Mn and has progressed by **+22.9%** compared with the previous year (+9.6% compared with the previous restated financial year). The improving of the results has been driven by a growing activity and a good control of costs. Fine-tuned management has made it possible to optimize commercial expenses and distribution costs, on the one hand, and to stabilize structural costs, on the other hand.

Net profit stands at €16.9 million, up +33.2%, the consequence of the increase in activity and operational efficiency.

The winding down of Happy D. by Damart's activity decided during the first half of the year accounted for €2.4 million including costs relating to this operation and operating losses.

Net results of the continued activities stand at €19.3 million up +52.2% (+11.3% compared with the previous restated financial year), benefiting from a decreasing tax burden in view of the activation of tax-loss carry-forwards in France.

FINANCIAL POSITION

The financial structure remains robust with a **net financial debt of € 10.8 Mn** as of the end of June 2016, compared with a net debt of € 7.4 Mn as of 30 June 2015, taking into account significant investments. Damart's operations were significantly upgraded in France thanks to the implementation of new logistic facilities for € 5.0 Mn. Therefore, the company has become the third one in France using the "pocket sorter" technology. Moreover, store investments continued with new store openings and the deployment of the new Damart concept. Afibel's operations in France were also modernized.



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DAMARTEX

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Capital : 103.096.000 €
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DIVIDENDS

The executive board will propose to the General Assembly scheduled for 8 November 2016, the distribution of a dividend of €0.65 per share.

OUTLOOK

The improved financial and operational performance comforts the Group into the relevance of its strategy.

Productivity gains achieved in the textile activity should be sustained over the coming financial years, thus allowing the group to stabilize its level of profitability and efficiency.

The Group also intends to sustain its investments in the Home & Lifestyle activity which has shown a very significant increase.

Finally, Damartex intends to benefit from the widening of its scope, due to the integration of the Vivaldia and Xandrès brands.

PROFILE

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

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KEY DATES

Publishing of sales figures for the first quarter of 2016/2017:

20 October 2016



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