

## Results for the first half of the 2016-2017 financial year

A good first half of the year, driven by acquisitions.

CONSOLIDATED DATA AS OF THE END OF DECEMBER (in millions Euros)	2015/16 PUBLISHED	2016/17 PUBLISHED	VARIANCE
Turnover	390.7	403.7	+3.3%
Earnings before interest, taxes, depreciation and amortization (EBITDA)	22.4	23.6	+5.4%
Current operating income	15.6	16.4	+5.5%
Non-current operating items	(0.6)	(1.9)	
Financial results	0.2	(0.7)	
Taxes	(0.6)	(0.9)	
Results of continued activities	14.5	12.9	(10.9%)
Results of discontinued activities	(2.0)	0.0	
Net profit	12.5	12.9	+3.6%

### Activity

For the first half of the year, the Group achieved a 403.7 million Euros turnover, with a growth of 3.3% in real terms compared with the same period last year (+7.9% at like for like exchange rate and -2.9% at like for like scope and exchange rate), driven by the acquisitions of Vivadia, Xandres, 3Pagen and Vitrine Magique.

The "Textile" sales amounts to 330.6 million Euros, in decrease of 2.7% compared with the first half of the previous financial year (+0.7% at like for like exchange rate). Despite Afibel's good performance with an increase of 3.4% and the integration of Xandres, the Textile activity has been marked by the poor performances of Damart that has seen its turnover decrease by 8.2% (-4.0% at like for like exchange rate).



#### SIÈGE SOCIAL

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The "**Home & Lifestyle**" activity achieved a 43.4% growth (+59.4% at like for like exchange rate), for a 73.1 million Euros turnover, positively impacted by the acquisitions of 3Pagen and Vitrine Magique. If the brand Coopers of Stortford is about 10.7% down at like for like exchange rate, Delaby, Vivadia and 3Pagen show a positive trend over the same period.

### Results

For this half year, the **current operating income** (COI) reached 16.4 million Euros, a 5.5% increase in real terms compared with the first half of the previous year, increasing more than the turnover.

The improvement of this result has been clearly driven by a change in scope, the acquisitions having contributed to the COI to the amount of 2.6 million Euros. In a challenging business context, the Group also continued to optimize its expenses in business, distribution and advertisement. Structure costs, which were well managed, decreased by 2.4 million Euros this half year.

These balanced measures have ensured a good level of current operational profitability registered over the half year, at 4.1% of the turnover.

The COI of the "**Textile**" activity amounts to 13.3 million Euros, or 4.0% of the turnover, up this half year. The current operational profitability of the "**Home & Lifestyle**" activity amounts to 4.3% of the turnover, or 3.1 million Euros.

**Net profit** has increased by 3.6% to reach 12.9 million Euros. It is due to the combined effect of the increase of non-current items (acquisition costs of new brands and restructuring of the logistic sector) and the absence of losses in discontinued activities. The tax rate stays low following the expected drop in the corporate tax rate in France.

### Financial Situation

As the result of the acquisition of Xandres and 3Pagen for a total amount of 27.6 million Euros, the **net financial debt** stood at 32.7 million Euros at the end of the half year. While remaining cautious, the Group decided to maintain a high level of strategic investments totalling 10.2 million Euros this half year.

### Outlook

Despite difficult market conditions, the adapting measures taken and the investments made over the past months to strengthen the brands have continued.

The integration process for the acquisitions made over the half year is going according to the Group's forecasts.

### **PROFILE**

The Damartex Group operating under the names Damart, Afibel, La Maison du Jersey, Xandres 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 develops an omni-channel strategy differentiated 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: 20 April 2017



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