PRESS RELEASE

MAISONS DU MONDE: FIRST-HALF 2017 RESULTS

Continued strong growth in customer sales

Sustained robust profitability

2017 targets confirmed

- **Customer sales up 17% to €456.6m, and 9% like-for-like**
- **Online sales up 32%, reaching 22% of customer sales**
- **10 net store openings, including 8 stores outside France, in line with the 2017 plan; continued investment in omnichannel initiatives**
- **EBITDA up 7% to €43.2m**
- **Net income of €6.2m**
- **Leverage ratio improving to 1.8x compared to 2.4x at 30 June 2016**

Nantes, 27 July 2017,

Maisons du Monde (Euronext Paris: MDM, ISIN Code: FR0013153541), a European leader in affordable and inspirational decoration and furniture homeware, today announces its results for the first half of 2017.

Gilles Petit, Chief Executive Officer of Maisons du Monde, commented:

"Maisons du Monde continued to deliver on its strategy in the first half of 2017, as demonstrated by our robust performance both in terms of revenue growth and profitability.

Sustained dynamism in customer sales on strong comps reflects the relevance of our offer and the continued success of our omnichannel approach. Once again, our growth was well balanced between product categories, geographies and channels. This growth was achieved with consistently healthy margins while continuing to invest in our customer roadmap and maintaining excellent in-store execution.

Based on this solid performance, we confirm our full-year 2017 and mid-term financial and operational objectives."

Robust customer sales growth across the board

First-half 2017 customer sales came in at €456.6 million, up 17% year-on-year on a reported basis and up 9% on a like-for-like basis. All product categories, geographies and channels contributed to the increase, which reflects the positive response to the new decoration and furniture collections. It also further confirms the solidity of the Group's business model and omnichannel strategy. Online sales reached 22% of total customer sales in the half, after increasing 32% year-on-year. This growth was notably supported by the successful completion of the rollout of free in-store delivery throughout Europe.

The Group continued to expand its store network, with 10 net openings over the period, including 8 stores outside France, as planned.

Healthy EBITDA margin

EBITDA stood at €43.2m, up 7% year-on-year, driven by customer sales growth. As expected, EBITDA margin was 9.5% compared to 10.3% in the first half of 2016.

It reflected the anticipated currency effects. At constant currency on USD purchases, EBITDA growth would have been 20% compared to the first half of 2016.

In addition, first-half 2017 EBITDA integrated, for the first time, the inclusion of the long-term incentive plan ("LTIP") and profit sharing. Moreover, the group continued to invest during the period in key omnichannel actions such as customer service initiatives and a CRM program.

Positive net income

Net income moved back to positive territory at €6.2m, notably reflecting an improvement in financial charges, which more than offset the booking of an income tax expense.

Further improvement in leverage ratio

The Group continued to deleverage strongly in the first half, notably thanks to positive free cash flow from operating activities of €27.7m. At 30 June 2017, net debt stood at €230.2m. The leverage ratio improved to 1.8x compared to 2.4x at 30 June 2016.

Reinforced confidence in achieving full-year targets

The solid performance achieved in the first half allows Maisons du Monde to reiterate its 2017 targets as updated in May[1]:

- Customer sales growth at the high end of the previously announced 12-14% range;
- Like-for-like growth of around 5%;
- 25-30 net store openings;
- EBITDA margin above 13% of customer sales.

Additional information

The Board of Directors of Maisons du Monde met on Thursday, 27 July 2017 to approve the Group's condensed interim consolidated financial statements for the first half of 2017. The limited review procedures by the statutory auditors are being finalized.

[1] Refer to Q1 2017 sales press release published by the Company on 2 May 2017.

Summary of Q2 2017 customer sales

	Three months ended 30 June		
In € million	**Q2 2016**	**Q2 2017**	***% change***
Customer sales by geography			
France	126.7	138.0	*+8.9%*
International	73.6	89.8	*+22.1%*
Total	**200.3**	**227.8**	***+13.7%***
France (%)	63.3%	60.6%	-
International (%)	36.7%	39.4%	-
Total (%)	**100.0%**	**100.0%**	**-**
Customer sales by product category			
Decoration	100.2	116.9	*+16.7%*
Furniture	100.1	110.9	*+10.8%*
Total	**200.3**	**227.8**	***+13.7%***
Decoration (%)	50.0%	51.3%	-
Furniture (%)	50.0%	48.7%	-
Total (%)	**100.0%**	**100.0%**	**-**
Customer sales by distribution channel			
Stores	159.1	177.3	*+11.4%*
Online	41.2	50.5	*+22.5%*
Total	**200.3**	**227.8**	***+13.7%***
Stores (%)	79.4%	77.8%	-
Online (%)	20.6%	22.2%	-
Total (%)	**100.0%**	**100.0%**	**-**

Summary of H1 2017 customer sales

	Six months ended 30 June		
In € million	**H1 2016**	**H1 2017**	***% change***
Customer sales by geography			
France	250.0	279.0	*+11.6%*
International	139.6	177.6	*+27.2%*
Total	**389.6**	**456.6**	***+17.2%***
France (%)	64.2%	61.1%	-
International (%)	35.8%	38.9%	-
Total (%)	**100.0%**	**100.0%**	**-**
Customer sales by product category			
Decoration	202.3	242.9	*+20.1%*
Furniture	187.3	213.7	*+14.1%*
Total	**389.6**	**456.6**	***+17.2%***
Decoration (%)	51.9%	53.2%	-
Furniture (%)	48.1%	46.8%	-
Total (%)	**100.0%**	**100.0%**	**-**
Customer sales by distribution channel			
Stores	312.5	354.6	*+13.5%*
Online	77.1	102.0	*+32.3%*
Total	**389.6**	**456.6**	***+17.2%***
Stores (%)	80.2%	77.7%	-
Online (%)	19.8%	22.3%	-
Total (%)	**100.0%**	**100.0%**	**-**

Key financial metrics

In € million	H1 2016	H1 2017	% change
	Six months ended 30 June		
Customer sales	**389.6**	**456.6**	***+17.2%***
% like-for-like change	*+16.6%*	*+9.0%*	*-*
Gross margin	**257.2**	**298.2**	***+15.9%***
As a % of customer sales	*66.0%*	*65.3%*	*(70)bps*
EBITDA	**40.3**	**43.2**	***+7.2%***
As a % of customer sales	*10.3%*	*9.5%*	*(80)bps*
EBIT	**26.8**	**28.0**	***+4.4%***
As a % of customer sales	*6.9%*	*6.1%*	*(80)bps*
Net income	**(53.9)**	**6.2**	***n/a***
Net debt	**256.5**	**230.2**	***(10.3)%***
Leverage ratio[2] (x)	2.4x	1.8x	*(0.6)x*

[2] Net debt divided by last-twelve-months EBITDA.

Simplified consolidated income statement

In € million	H1 2016	H1 2017
	Six months ended 30 June	
Customer sales	**389.6**	**456.6**
Current operating profit before other operating income and expenses	**4.9**	**16.6**
Other operating income and expenses	(10.5)	(0.9)
Operating profit / (loss)	**(5.7)**	**15.8**
Financial profit / (loss)	(67.1)	(4.2)
Profit / (loss) before income tax	**(72.7)**	**11.6**
Income tax	18.8	(5.4)
Profit / (loss) for the period	**(53.9)**	**6.2**

Reconciliation of EBITDA

In € million	H1 2016	H1 2017
	Six months ended 30 June	
Current operating profit before other operating income and expenses	**4.9**	**16.6**
Depreciation, amortization and allowance for provisions	13.5	15.2
Fair value – derivative financial instruments	11.3	2.4
Management fees	0.8	-
Pre-opening expenses	1.6	1.5
Catalogue-related expenses[3]	6.8	6.7
Taxes (IFRIC 21)[3]	1.3	0.7
EBITDA	**40.3**	**43.2**

[3] Pro rata temporis for the period.

Free cash flow

	Six months ended 30 June	
In € million	**H1 2016**	**H1 2017**
EBITDA	**40.3**	**43.2**
Change in operating working capital requirement	(17.6)	(3.4)
Change in other operating items	(25.2)	(12.0)
Free cash flow from operating activities	**(2.5)**	**27.7**
Capital expenditure	(24.6)	(24.0)
Share and other securities repurchases	(20.6)	-
Disposal of and debt on fixed assets	1.3	(3.1)
Free cash flow used in investing activities	**(44.0)**	**(27.2)**
Free cash flow	**(46.5)**	**0.5**

Key operating metrics

Besides the financial indicators set out in International Financial Reporting Standards (IFRS), Maisons du Monde's management uses several key metrics to evaluate, monitor and manage its business. The non-IFRS operational and statistical information related to Group's operations included in this press release is unaudited and has been taken from internal reporting systems. Although none of these metrics are measures of financial performance under IFRS, the Group believes that they provide important insight into the operations and strength of its business. These metrics may not be comparable to similar terms used by competitors or other companies.

- **Customer sales**: Represent the revenue from sales of decorative items and furniture through the Group's retail stores, websites and B2B activities. They mainly exclude (i) customer contribution to delivery charges, (ii) revenue for logistics services provided to third parties and (iii) franchise revenue. The Group uses the concept of "customer sales" rather than total revenue to calculate like-for-like growth, gross margin, EBITDA margin and EBIT margin.
- **Like-for-like customer sales growth**: Represents the percentage change in customer sales from the Group's retail stores, websites and B2B activities, net of product returns between one financial period (n) and the comparable preceding financial period (n-1), excluding changes in customer sales attributable to stores that opened or were closed during either of the comparable periods. Customer sales attributable to stores that closed temporarily for refurbishment during any of the periods are included.
- **Gross margin**: Is defined as customer sales minus cost of sales. Gross margin is also expressed as a percentage of customer sales.
- **EBITDA**: Is defined as current operating profit before other operating income and expenses, excluding (i) depreciation, amortization and allowance for provisions, (ii) the change in the fair value of derivative financial instruments, (iii) store pre-opening expenses and (iv), only for 2016, pre-IPO management fees paid to the controlling shareholders. Half-year EBITDA is defined the same way as annual EBITDA except that is also excludes, pro rata temporis for the period, (i) the annual catalogue-related expenses and (ii) the full-year impact of IFRIC 21 on costs related to some government levies, accounted for in full in the first half.
- **EBIT**: Is defined as EBITDA after depreciation, amortization and allowance for provisions.
- **Net debt**: Is defined as the Group's term loan, revolving credit facility, finance lease debt, deposits and bank borrowings, net of cash and cash equivalents.
- **Leverage ratio**: Is defined as net debt divided by last-twelve-months EBITDA.

2017 financial calendar [4]

23 October 2017 – Q3 2017 customer sales (press release after market close)

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Disclaimer: Forward Looking Statement

This press release contains certain statements that constitute "forward-looking statements", including but not limited to statements that are predictions of or indicate future events, trends, plans or objectives, based on certain assumptions or which do not directly relate to historical or current facts. Such forward-looking statements are based on management's current expectations and beliefs and are subject to a number of risks and uncertainties that could cause actual results to differ materially from the future results expressed, forecasted or implied by such forward-looking statements. Accordingly, no representation is made that any of these statements or forecasts will come to pass or that any forecast results will be achieved. Any forward-looking statements included in this press release speak only as of the date hereof, and will not give rise to updates or revision. For a more complete list and description of such risks and uncertainties, refer to Maisons du Monde's filings with the French Autorité des marchés financiers.

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About Maisons du Monde

Maisons du Monde is a creator of inspirational lifestyle universes in the homeware industry, offering distinctive and affordable decoration and furniture collections that showcase multiple styles. The Group develops its business through an integrated and complementary omnichannel approach, leveraging its international network of stores, websites and catalogues. The Group was founded in France in 1996 and has profitably expanded across Europe since 2003. The Group reported customer sales of €882 million and EBITDA of €123 million for the year ended December 31, 2016. In 2016, the Group operated 288 stores in seven countries including France, Italy, Spain, Belgium, Switzerland, Germany and Luxembourg, and derived over 36% of its sales from outside France. The Group has also built a successful complementary and comprehensive online shopping website, sales from which grew 37% per year on average between 2010 and 2016. The website is available in eleven countries: the seven countries where the Group operates stores plus Austria, the Netherlands, Portugal and the United Kingdom. In 2016, online sales represented 19% of the Group's customer sales.

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[4] Indicative timetable.