



PRESS RELEASE

MAISONS DU MONDE: FIRST-QUARTER 2018 SALES

A good start of the year; 2018 objectives¹ confirmed

Financials

- Sales up 11.5% to €255 million in Q1 2018, and up 5.1% like-for-like
- Continued robust growth in online sales (+15.1%) and international business (+14.3%)
- Well balanced growth between decoration (+12.4%) and furniture (+10.4%)
- 2018 objectives confirmed at constant scope:
 - Sales growth of around 10%
 - 25-30 net store openings
 - EBITDA margin above 13% of sales

Strategy

- Strategic entry in the US market through the acquisition of a majority stake in Modani, a furniture chain present across the US through its stores and e-commerce business

Management transition

- Evolution of the leadership team with the appointment as Chief Executive Officer of Maisons du Monde of Julie Walbaum, currently Executive Director, Digital, Customer Marketing and Customer Care effective July 1
- Gilles Petit remains a Board member and will support the transition as special advisor to the CEO

Gilles Petit (CEO), Arnaud Louet (CFO) and Julie Walbaum will host a conference call for analysts and investors on Thursday, 3 May 2018 at 06:30pm CEST

Nantes, 3 May 2018

Maisons du Monde (Euronext Paris: MDM, ISIN Code: FR0013153541), a European leader in affordable and inspirational decoration and furniture homeware, today announces its sales for the first quarter of 2018.

¹ At constant scope.



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

“Maisons du Monde posted solid sales growth in the first quarter, in line with our targets. Our dynamic performance across categories, both in France and internationally, and further double-digit growth in online sales underscore the continued success of our omnichannel strategy.

We are making another significant advance today with the acquisition in the US of Modani, a company with a highly complementary business model, marking a major new step in our international expansion.

With today’s announcement of Julie Walbaum’s appointment as CEO of Maisons du Monde, effective July 1, the Company is entering a new phase in its growth story.

In this context, we confirm our 2018 objectives at constant scope, and look to the future with confidence.”

Solid sales growth in line with targets

In the first quarter of 2018, Maisons du Monde reported sales of €255.1 million, up 11.5% year-on-year on a reported basis, and up 5.1% on a like-for-like basis, consistent with the Group’s targets.

Sales growth was solid across the board during the quarter, reflecting continued strength in online sales (+15.1%) and international business (+14.3%), as well as a good balance by product categories between decoration items (+12.4%) and furniture (+10.4%). This performance again confirms the success of the Group’s omnichannel strategy.

In the first quarter, Maisons du Monde continued to move forward with the development of an attractive offer for its customers, including the deployment of the six themes constituting the Spring/Summer 2018 decoration collection in January, the launch of the new indoor and outdoor furniture catalogues in March, and the launch of the BtoB catalogue with more than 70 new products dedicated to this market segment.

Maisons du Monde also made further progress in enhancing its omnichannel customer experience with the continuation of the store digitization program and the launch of new services such as *Shop the Look* with Pinterest and *InstaShopping* with Instagram. Finally, The Group accelerated its CRM strategy with the launch of a geolocation service along with its “drive to store” campaign and the implementation of a Customer Data Platform enabling the optimization of marketing investments.

The total number of stores operated by the Group remained unchanged, at 313 as of 31 March 2018. In the first quarter, Maisons du Monde opened four new stores, all in France. Four other stores were closed as a part of a relocation program.

Post-closing, Maisons du Monde opened five new stores in April, including two stores in France and the previously announced three shop-in-shops with Debenhams in the UK. This is in line with the Group’s operating schedule and the planned phasing of new store openings.

2018 objectives confirmed

The solid performance achieved in the first quarter allows Maisons du Monde to confirm its objectives for full-year 2018 at constant scope:

- Sales growth of around 10%;
- 25-30 net stores openings;
- EBITDA margin above 13% of sales.



Post-closing event: Acquisition in the US of Modani

On 3 May 2018, Maisons du Monde announced the acquisition of a 70% stake in Modani, a furniture chain present across the US through its stores and e-commerce business. In 2017, Modani reported sales of \$41.4 million and EBITDA of \$4.9 million.

With this acquisition, Maisons du Monde is taking a major step forward in growing its international footprint in one of the world's biggest markets.

Maisons du Monde has issued a separate press release on this acquisition.

Post-closing event: Evolution of the leadership team

On 3 May 2018, Maisons du Monde announced that Julie Walbaum, currently Executive Director, Digital, Customer Marketing and Customer Care, will become Chief Executive Officer, effective July 1. She will succeed Gilles Petit, who will remain a special advisor to the CEO and member of the Board of Directors to ensure a smooth management transition.

Maisons du Monde has issued a separate press release on this announcement.

Conference call details

Gilles Petit (CEO), Arnaud Louet (CFO) and Julie Walbaum (Executive Director, Digital, Customer Marketing and Customer Care) will host a conference call for analysts and investors on Thursday, 3 May 2018 at 06:30pm CEST (05:30pm BST).

To access the conference call, please use the following access code and dial-in numbers:

Access code	60 36 086
France	+33 (0)1 76 77 22 57
Germany	+49 (0)69 2222 2018
Switzerland	+41 (0)22 567 5750
United Kingdom	+44 (0)330 336 9411
United States	+1 323 701 0225

The conference call will also be webcast live and can be accessed via this [link](#).

APPENDICES

Summary of Q1 2018 sales

In € million	Three months ended 31 March		
	2017	2018	% change
Sales by geography			
France	141.0	154.7	+9.7%
International	87.8	100.4	+14.3%
Total	228.8	255.1	+11.5%
Sales by product category			
France (%)	61.6%	60.7%	-
International (%)	38.4%	39.3%	-
Total (%)	100.0%	100.0%	-
Sales by product category			
Decoration	126.1	141.6	+12.4%
Furniture	102.7	113.4	+10.4%
Total	228.8	255.1	+11.5%
Sales by distribution channel			
Decoration (%)	55.1%	55.5%	-
Furniture (%)	44.9%	44.5%	-
Total (%)	100.0%	100.0%	-
Sales by distribution channel			
Stores	177.2	195.7	+10.4%
Online	51.6	59.4	+15.1%
Total	228.8	255.1	+11.5%
Sales by distribution channel			
Stores (%)	77.5%	76.7%	-
Online (%)	22.5%	23.3%	-
Total (%)	100.0%	100.0%	-

Evolution of the store network

In unit	Period ended					
	31-Mar-17	30-Jun-17	30-Sep-17	31-Dec-17	31-Dec-17	31-Mar-18
France	201	205	206	212	212	213
Italy	37	38	41	42	42	42
Belgium	19	20	21	22	22	21
Spain	15	18	19	20	20	20
Luxembourg	2	2	2	2	2	2
Germany	9	9	9	9	9	9
Switzerland	6	6	6	6	6	6
Number of stores	289	298	304	313	313	313
Net store openings	+1	+9	+6	+9	+25	-

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.

- **Sales:** Represent the revenue from sales of decorative items and furniture through the Group's retail stores, websites and BtoB activities. They mainly exclude (i) customer contribution to delivery costs, (ii) revenue for logistics services provided to third parties, and (iii) franchise revenue. The Group uses the concept of "sales" rather than "total revenue" to calculate like-for-like growth, gross margin, EBITDA margin and EBIT margin.
- **Like-for-like sales growth:** Represents the percentage change in sales from the Group's retail stores, websites and BtoB activities, net of product returns between one financial period (n) and the comparable preceding financial period (n-1), excluding changes in sales attributable to stores that opened or were closed during either of the comparable periods. Sales attributable to stores that closed temporarily for refurbishment during any of the periods are included.
- **Gross margin:** Is defined as sales minus cost of sales. Gross margin is also expressed as a percentage of sales.
- **EBITDA:** Is defined as current operating profit, excluding (i) depreciation, amortization, and allowance for provisions, (ii) the change in the fair value of derivative financial instruments, and (iii) store pre-opening expenses.
- **EBIT:** Is defined as EBITDA after depreciation, amortization, and allowance for provisions.
- **Net debt:** Is defined as the Group's convertible bonds ("OCEANE"), term loan, revolving credit facilities, finance lease debt, deposits and bank borrowings, net of cash and cash equivalents.
- **Leverage ratio:** Is defined as net debt divided by EBITDA.



2018 financial calendar²

18 May 2018	Annual general meeting
30 July 2018	First-half 2018 results (press release after market close and conference call)
7 November 2018	Third-quarter 2018 sales (press release after market close)

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.

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 posted sales of €1,011 million and EBITDA of €139 million for the year ended 31 December 2017. In 2017, the Group operated 313 stores in seven countries including France, Italy, Spain, Belgium, Germany, Switzerland, and Luxembourg, and derived over 38% of its sales from outside France. The Group has also built a successful complementary and comprehensive online shopping website, sales from which grew 35% per year on average between 2010 and 2017. 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 2017, online sales represented 21% of the Group's sales.

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² Indicative timetable.